

SUM-100

# SUMMONS (CITACION JUDICIAL)

## NOTICE TO DEFENDANT: (AVISO AL DEMANDADO):

THALES AVIONICS, INC., a Delaware corporation; THALES S.A., a public joint stock company organized under the laws of France; JEAN-MARC BUDIN, an individual; and DOES 1 through 20, inclusive,  
**YOU ARE BEING SUED BY PLAINTIFF:  
(LO ESTÁ DEMANDANDO EL DEMANDANTE):**

WAMAR INTERNATIONAL, LLC, a California limited liability company,

FOR COURT USE ONLY  
(SOLO PARA USO DE LA CORTE)

ELECTRONICALLY FILED  
Superior Court of California,  
County of Orange  
11/08/2018 at 06:10:37 PM  
Clerk of the Superior Court  
By Georgina Ramirez, Deputy Clerk

**NOTICE!** You have been sued. The court may decide against you without your being heard unless you respond within 30 days. Read the information below.

You have 30 CALENDAR DAYS after this summons and legal papers are served on you to file a written response at this court and have a copy served on the plaintiff. A letter or phone call will not protect you. Your written response must be in proper legal form if you want the court to hear your case. There may be a court form that you can use for your response. You can find these court forms and more information at the California Courts Online Self-Help Center ([www.courtinfo.ca.gov/selfhelp](http://www.courtinfo.ca.gov/selfhelp)), your county law library, or the courthouse nearest you. If you cannot pay the filing fee, ask the court clerk for a fee waiver form. If you do not file your response on time, you may lose the case by default, and your wages, money, and property may be taken without further warning from the court.

There are other legal requirements. You may want to call an attorney right away. If you do not know an attorney, you may want to call an attorney referral service. If you cannot afford an attorney, you may be eligible for free legal services from a nonprofit legal services program. You can locate these nonprofit groups at the California Legal Services Web site ([www.lawhelpcalifornia.org](http://www.lawhelpcalifornia.org)), the California Courts Online Self-Help Center ([www.courtinfo.ca.gov/selfhelp](http://www.courtinfo.ca.gov/selfhelp)), or by contacting your local court or county bar association. **NOTE:** The court has a statutory lien for waived fees and costs on any settlement or arbitration award of \$10,000 or more in a civil case. The court's lien must be paid before the court will dismiss the case. **¡AVISO!** Lo han demandado. Si no responde dentro de 30 días, la corte puede decidir en su contra sin escuchar su versión. Lea la información a continuación.

Tiene 30 DÍAS DE CALENDARIO después de que le entreguen esta citación y papeles legales para presentar una respuesta por escrito en esta corte y hacer que se entregue una copia al demandante. Una carta o una llamada telefónica no lo protegen. Su respuesta por escrito tiene que estar en formato legal correcto si desea que procesen su caso en la corte. Es posible que haya un formulario que usted pueda usar para su respuesta. Puede encontrar estos formularios de la corte y más información en el Centro de Ayuda de las Cortes de California ([www.sucorte.ca.gov](http://www.sucorte.ca.gov)), en la biblioteca de leyes de su condado o en la corte que le quede más cerca. Si no puede pagar la cuota de presentación, pida al secretario de la corte que le dé un formulario de exención de pago de cuotas. Si no presenta su respuesta a tiempo, puede perder el caso por incumplimiento y la corte le podrá quitar su sueldo, dinero y bienes sin más advertencia.

Hay otros requisitos legales. Es recomendable que llame a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de remisión a abogados. Si no puede pagar a un abogado, es posible que cumpla con los requisitos para obtener servicios legales gratuitos de un programa de servicios legales sin fines de lucro. Puede encontrar estos grupos sin fines de lucro en el sitio web de California Legal Services, ([www.lawhelpcalifornia.org](http://www.lawhelpcalifornia.org)), en el Centro de Ayuda de las Cortes de California, ([www.sucorte.ca.gov](http://www.sucorte.ca.gov)) o poniéndose en contacto con la corte o el colegio de abogados locales. **AVISO:** Por ley, la corte tiene derecho a reclamar las cuotas y los costos exentos por imponer un gravamen sobre cualquier recuperación de \$10,000 ó más de valor recibida mediante un acuerdo o una concesión de arbitraje en un caso de derecho civil. Tiene que pagar el gravamen de la corte antes de que la corte pueda desechar el caso.

The name and address of the court is:  
(El nombre y dirección de la corte es):

Orange County Superior Court, Civil Complex Center  
751 West Santa Ana Blvd., Santa Ana, CA 92701

CASE NUMBER:  
(Número del Caso):

30-2018-01031861-CU-BC-CXC

The name, address, and telephone number of plaintiff's attorney, or plaintiff without an attorney, is:

(El nombre, la dirección y el número de teléfono del abogado del demandante, o del demandante que no tiene abogado, es):  
Joseph E. Thomas, Thomas Whitelaw & Kolegraff LLP, 18101 Von Karman Ave., Ste. 230, Irvine, CA 92612, (949) 679-6400  
Arthur H. Barens, Law Offices of Arthur H. Barens, 10209 Santa Monica Blvd., Los Angeles, CA 90067, (310) 557-0444

DATE:  
(Fecha) 11/08/18

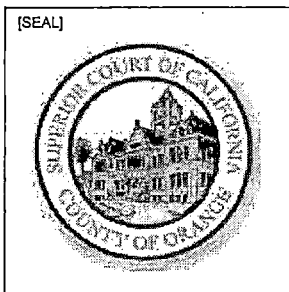
David H. Yamasaki, Clerk of the Court

Clerk, by  
(Secretario)

Deputy  
(Adjunto)

(For proof of service of this summons, use Proof of Service of Summons (form POS-010).)

(Para prueba de entrega de esta citación use el formulario Proof of Service of Summons, (POS-010)).



**NOTICE TO THE PERSON SERVED:** You are served

1. ☐ as an individual defendant.
2. ☐ as the person sued under the fictitious name of (specify):

3. ☒ on behalf of (specify): THALES AVIONICS, INC., A DELAWARE CORPORATION

- under: ☒ CCP 416.10 (corporation) ☐ CCP 416.60 (minor)  
☐ CCP 416.20 (defunct corporation) ☐ CCP 416.70 (conservatee)  
☐ CCP 416.40 (association or partnership) ☐ CCP 416.90 (authorized person)  
☐ other (specify):

4. ☐ by personal delivery on (date):

**SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE**

**ALTERNATIVE DISPUTE RESOLUTION (ADR)  
INFORMATION PACKAGE**

**NOTICE TO PLAINTIFF(S) AND/OR CROSS-COMPLAINANT(S):**

**Rule 3.221(c) of the California Rules of Court requires you to serve a copy of the ADR Information Package along with the complaint and/or cross-complaint.**

**California Rules of Court – Rule 3.221  
Information about Alternative Dispute Resolution (ADR)**

(a) Each court shall make available to the plaintiff, at the time of filing of the complaint, an ADR Information Package that includes, at a minimum, all of the following:

- (1) General information about the potential advantages and disadvantages of ADR and descriptions of the principal ADR processes.
- (2) Information about the ADR programs available in that court, including citations to any applicable local court rules and directions for contacting any court staff responsible for providing parties with assistance regarding ADR.
- (3) Information about the availability of local dispute resolution programs funded under the Dispute Resolutions Program Act (DRPA), in counties that are participating in the DRPA. This information may take the form of a list of the applicable programs or directions for contacting the county's DRPA coordinator.
- (4) An ADR stipulation form that parties may use to stipulate to the use of an ADR process.

(b) A court may make the ADR Information Package available on its website as long as paper copies are also made available in the clerk's office.

(c) The plaintiff must serve a copy of the ADR Information Package on each defendant along with the complaint. Cross-complainants must serve a copy of the ADR Information Package on any new parties to the action along with the cross-complaint.

## SUPERIOR COURT OF CALIFORNIA COUNTY OF ORANGE

### ADR Information

#### Introduction.

Most civil disputes are resolved without filing a lawsuit, and most civil lawsuits are resolved without a trial. The courts and others offer a variety of Alternative Dispute Resolution (ADR) processes to help people resolve disputes without a trial. ADR is usually less formal, less expensive, and less time-consuming than a trial. ADR can also give people more opportunity to determine when and how their dispute will be resolved.

#### BENEFITS OF ADR.

Using ADR may have a variety of benefits, depending on the type of ADR process used and the circumstances of the particular case. Some potential benefits of ADR are summarized below.

**Save Time.** A dispute often can be settled or decided much sooner with ADR; often in a matter of months, even weeks, while bringing a lawsuit to trial can take a year or more.

**Save Money.** When cases are resolved earlier through ADR, the parties may save some of the money they would have spent on attorney fees, court costs, experts' fees, and other litigation expenses.

**Increase Control Over the Process and the Outcome.** In ADR, parties typically play a greater role in shaping both the process and its outcome. In most ADR processes, parties have more opportunity to tell their side of the story than they do at trial. Some ADR processes, such as mediation, allow the parties to fashion creative resolutions that are not available in a trial. Other ADR processes, such as arbitration, allow the parties to choose an expert in a particular field to decide the dispute.

**Preserve Relationships.** ADR can be a less adversarial and hostile way to resolve a dispute. For example, an experienced mediator can help the parties effectively communicate their needs and point of view to the other side. This can be an important advantage where the parties have a relationship to preserve.

**Increase Satisfaction.** In a trial, there is typically a winner and a loser. The loser is not likely to be happy, and even the winner may not be completely satisfied with the outcome. ADR can help the parties find win-win solutions and achieve their real goals. This, along with all of ADR's other potential advantages, may increase the parties' overall satisfaction with both the dispute resolution process and the outcome.

**Improve Attorney-Client Relationships.** Attorneys may also benefit from ADR by being seen as problem-solvers rather than combatants. Quick, cost-effective, and satisfying resolutions are likely to produce happier clients and thus generate repeat business from clients and referrals of their friends and associates.

#### DISADVANTAGES OF ADR.

ADR may not be suitable for every dispute.

**Loss of protections.** If ADR is binding, the parties normally give up most court protections, including a decision by a judge or jury under formal rules of evidence and procedure, and review for legal error by an appellate court.

**Less discovery.** There generally is less opportunity to find out about the other side's case with ADR than with litigation. ADR may not be effective if it takes place before the parties have sufficient information to resolve the dispute.

**Additional costs.** The neutral may charge a fee for his or her services. If a dispute is not resolved through ADR, the parties may have to put time and money into both ADR and a lawsuit.

**Effect of delays if the dispute is not resolved.** Lawsuits must be brought within specified periods of time, known as statutes of limitation. Parties must be careful not to let a statute of limitations run out while a dispute is in an ADR process.

#### **TYPES OF ADR IN CIVIL CASES.**

The most commonly used ADR processes are arbitration, mediation, neutral evaluation and settlement conferences.

**Arbitration.** In arbitration, a neutral person called an "arbitrator" hears arguments and evidence from each side and then decides the outcome of the dispute. Arbitration is less formal than a trial, and the rules of evidence are often relaxed. Arbitration may be either "binding" or "nonbinding." *Binding arbitration* means that the parties waive their right to a trial and agree to accept the arbitrator's decision as final. Generally, there is no right to appeal an arbitrator's decision. *Nonbinding* arbitration means that the parties are free to request a trial if they do not accept the arbitrator's decision.

**Cases for Which Arbitration May Be Appropriate.** Arbitration is best for cases where the parties want another person to decide the outcome of their dispute for them but would like to avoid the formality, time, and expense of a trial. It may also be appropriate for complex matters where the parties want a decision-maker who has training or experience in the subject matter of the dispute.

**Cases for Which Arbitration May Not Be Appropriate.** If parties want to retain control over how their dispute is resolved, arbitration, particularly binding arbitration, is not appropriate. In binding arbitration, the parties generally cannot appeal the arbitrator's award, even if it is not supported by the evidence or the law. Even in nonbinding arbitration, if a party requests a trial and does not receive a more favorable result at trial than in arbitration, there may be penalties.

**Mediation.** In mediation, an impartial person called a "mediator" helps the parties try to reach a mutually acceptable resolution of the dispute. The mediator does not decide the dispute but helps the parties communicate so they can try to settle the dispute themselves. Mediation leaves control of the outcome with the parties.

**Cases for Which Mediation May Be Appropriate.** Mediation may be particularly useful when parties have a relationship they want to preserve. So when family members, neighbors, or business partners have a dispute, mediation may be the ADR process to use. Mediation is also effective when emotions are getting in the way of resolution. An effective mediator can hear the parties out and help them communicate with each other in an effective and nondestructive manner.

**Cases for Which Mediation May Not Be Appropriate.** Mediation may not be effective if one of the parties is unwilling to cooperate or compromise. Mediation also may not be effective if one of the parties has a significant advantage in power over the other. Therefore, it may not be a good choice if the parties have a history of abuse or victimization.

**Neutral Evaluation.** In neutral evaluation, each party gets a chance to present the case to a neutral person called an "evaluator." The evaluator then gives an opinion on the strengths and weaknesses of each party's evidence and arguments and about how the dispute could be resolved. The evaluator is

often an expert in the subject matter of the dispute. Although the evaluator's opinion is not binding, the parties typically use it as a basis for trying to negotiate a resolution of the dispute.

**Cases for Which Neutral Evaluation May Be Appropriate.** Neutral evaluation may be most appropriate in cases in which there are technical issues that require special expertise to resolve or the only significant issue in the case is the amount of damages.

**Cases for Which Neutral Evaluation May Not Be Appropriate.** Neutral evaluation may not be appropriate when there are significant personal or emotional barriers to resolving the dispute.

**Settlement Conferences.** Settlement conferences may be either mandatory or voluntary. In both types of settlement conferences, the parties and their attorneys meet with a judge or a neutral person called a "settlement officer" to discuss possible settlement of their dispute. The judge or settlement officer does not make a decision in the case but assists the parties in evaluating the strengths and weaknesses of the case and in negotiating a settlement. Settlement conferences are appropriate in any case where settlement is an option. Mandatory settlement conferences are often held close to the date a case is set for trial.

#### **ADDITIONAL INFORMATION.**

In addition to mediation, arbitration, neutral evaluation, and settlement conferences, there are other types of ADR, including conciliation, fact finding, mini-trials, and summary jury trials. Sometimes parties will try a combination of ADR types. The important thing is to try to find the type or types of ADR that are most likely to resolve your dispute.

To locate a dispute resolution program or neutral in your community:

- Contact the California Department of Consumer Affairs, Consumer Information Center, toll free, at 1-800-852-5210
- Contact the Orange County Bar Association at (949) 440-6700
- Look in the telephone directories under "Arbitrators" or "Mediators"

Low cost mediation services are provided under the Orange County Dispute Resolution Program Act (DRPA). For information regarding DRPA, contact:

- Waymakers (949) 250-4058

For information on the Superior Court of California, County of Orange court ordered arbitration program, refer to Local Rule 360.

The Orange County Superior Court offers programs for Civil Mediation and Early Neutral Evaluation (ENE). For the Civil Mediation program, mediators on the Court's panel have agreed to accept a fee of \$300 for up to the first two hours of a mediation session. For the ENE program, members of the Court's panel have agreed to accept a fee of \$300 for up to three hours of an ENE session. Additional information on the Orange County Superior Court Civil Mediation and Early Neutral Evaluation (ENE) programs is available on the Court's website at [www.occourts.org](http://www.occourts.org).

ATTORNEY OR PARTY WITHOUT ATTORNEY ( <i>Name &amp; Address</i> ):  Telephone No.: _____ Fax No. (Optional): _____ E-Mail Address (Optional): _____ ATTORNEY FOR ( <i>Name</i> ): _____ Bar No: _____	FOR COURT USE ONLY
<b>SUPERIOR COURT OF CALIFORNIA, COUNTY OF ORANGE</b> JUSTICE CENTER: <input type="checkbox"/> Central – 700 Civic Center Dr. West, Santa Ana, CA 92701-4045 <input type="checkbox"/> Civil Complex Center – 751 W. Santa Ana Blvd., Santa Ana, CA 92701-4512 <input type="checkbox"/> Harbor – Newport Beach Facility – 4601 Jamboree Rd., Newport Beach, CA 92660-2595 <input type="checkbox"/> North – 1275 N. Berkeley Ave., P.O. Box 5000, Fullerton, CA 92838-0500	
PLAINTIFF/PETITIONER:  DEFENDANT/RESPONDENT:	
<b>ALTERNATIVE DISPUTE RESOLUTION (ADR) STIPULATION</b>	CASE NUMBER:

Plaintiff(s)/Petitioner(s), \_\_\_\_\_

\_\_\_\_\_

and defendant(s)/respondent(s), \_\_\_\_\_

\_\_\_\_\_

agree to the following dispute resolution process:

- ☐ Mediation
- ☐ Arbitration (must specify code)
- ☐ Under section 1141.11 of the Code of Civil Procedure
- ☐ Under section 1280 of the Code of Civil Procedure
- ☐ Neutral Case Evaluation

The ADR process must be completed no later than 90 days after the date of this Stipulation or the date the case was referred, whichever is sooner.

☐ I have an *Order on Court Fee Waiver* (FW-003) on file, and the selected ADR Neutral(s) are eligible to provide pro bono services.

☐ The ADR Neutral Selection and Party List is attached to this Stipulation.

We understand that there may be a charge for services provided by neutrals. We understand that participating in an ADR process does not extend the time periods specified in California Rules of Court, rule 3.720 et seq.

Date: \_\_\_\_\_ (SIGNATURE OF PLAINTIFF OR ATTORNEY) \_\_\_\_\_ (SIGNATURE OF PLAINTIFF OR ATTORNEY)

Date: \_\_\_\_\_ (SIGNATURE OF DEFENDANT OR ATTORNEY) \_\_\_\_\_ (SIGNATURE OF DEFENDANT OR ATTORNEY)

### ALTERNATIVE DISPUTE RESOLUTION (ADR) STIPULATION



✓ ***Plaintiff must serve a copy of these Guidelines with the Summons and Complaint.***



## **GUIDELINES**

### **ALL COMPLEX CIVIL DEPARTMENTS**

Welcome to the Complex Civil Litigation Program. Orange County Superior Court is one of six courts designated by the California Judicial Council as pilot project courts to handle solely complex civil litigation. These pilot courts were established to apply case management principles to improve the effective administration of justice by reducing the time and expense normally associated with the litigation of complex civil cases. It has been our experience that these principles make it easier to prepare these cases for trial by providing a more orderly framework for the pre-trial phase of the litigation.

The result is a greater opportunity for early case resolution through mediation and settlement, and improving the way complex cases are tried by encouraging the use of technology.

Counsel's familiarity with the applicable California Rules of Court ["Local Rules"], Local Rules – Superior Court of California, County of Orange, and these Guidelines is expected. The Guidelines should answer most procedural questions and assist you in feeling comfortable in our courtrooms.

### **COURTROOM DEMEANOR, CONDUCT AND ETIQUETTE**

Counsel are expected to adhere to the provisions of the California Attorney Guidelines of Civility and Professionalism. (State Bar of the State of California, adopted July 20, 2007, attached to these Guidelines as Appendix 1.)

## **I. GENERAL MATTERS**

1. When issued by the court, the provisions of the Case Management Order in the particular action shall govern over these Guidelines. Procedural matters not provided for in these Guidelines or in a Case Management Order shall be governed by the pertinent provisions of the California statutes, the California Rules of Court, and the California Standards of Judicial Administration. The purpose of these Guidelines is to supplement but not contradict the law governing civil procedure.
2. The Superior Court of California, County of Orange has established a system for e-filing in accordance with Code of Civil Procedure §1010.6 and California Rules of Court, rule 2.250 *et seq.* All papers filed in complex civil cases must be electronically filed unless a party has been specifically excused by the Court from the requirement, pursuant to the *Local Rules – Superior Court of California, County of Orange* ("local rules"), rule 308. To register for the program and to obtain additional information, go to: [www.occourts.org/complexcivil/](http://www.occourts.org/complexcivil/).
3. Cross-complainants must serve a copy of these guidelines and give notice of any scheduled hearings and depositions at the time the cross-complaint is served.
4. Information about filing requirements or fees is available on the court's Internet home page at: <http://www.occourts.org>, or by telephone at (657) 622-5314. The local rules are available on the court's public internet home page.
5. Telephone appearances are conducted through **CourtCall**, pursuant to the provisions of California Rules of Court, Rule 3.670. Parties are encouraged to seek further information concerning guidelines and protocols from **CourtCall** at (310) 342-0888 or (888) 88-COURT.

## **II. Initial Case Management Conference:**

The Initial Case Management Conference shall take place in conformance with the requirements set forth in California Rules of Court, rule 3.750. The Initial Case Management Conference is generally scheduled approximately 90 days after the action is filed. Plaintiff is required to give notice of this conference date to all other parties. Thereafter, Status Conferences shall be set in consultation with the Court, according to the needs of the parties.

## **III. Case Management Conference and Status Conference Statements:**

The judges of the Civil Complex Center have determined that Judicial Council form CM-110, *Civil Case Management Statement* required by California Rules of Court, Rule 3.725(c) for some civil cases, is inadequate to provide the judges the information they need when determining how a particular complex case should be managed. ***Form CM-110 should not be used in any action designated or provisionally designated as***



**complex.** Instead, the parties shall file with the court either a Case Management Conference Statement or a Status Conference Statement as described below.

Counsel must file an updated Conference Statement for *each* Case Management or Status Conference. The Conference Statement is due no later than 5 court days prior to the hearing.

A Status Conference Statement may be filed as an alternative to the Case Management Conference Statement when appropriate. A Status Conference Statement is generally less detailed than a Case Management Conference Statement and is to be used to advise the court of progress or developments in the case which have occurred since the last review hearing.

A joint statement of the parties is preferred by the court whenever possible.

#### **IV. CASE MANAGEMENT ORDERS:**

Case Management Orders are not required in all cases, but they may be helpful in cases where the sequencing and timing of key events is necessary in the management of the litigation and preparation of the case for trial. However, even if a Case Management Order is not necessary in a particular case, *all complex cases must be managed by counsel, or the court, or both.*

The goal of case management is to bring about a just resolution as speedily and economically as possible. To be effective, case management should be tailored to the needs of the particular litigation and to the resources available; make-work activity should be avoided. The parties or the court should develop and monitor an effective plan for the orderly conduct of pretrial and trial proceedings. A case management plan should prescribe a series of procedural steps, with firm dates, giving direction and order to the case as it progresses through pretrial proceedings to summary disposition or trial. The setting of interim time limits and deadlines is often a necessary part of an effective case management plan.

#### **V. LAW AND MOTION:**

1. **Meet and Confer:** This court adopts the view that pre-filing conferences between counsel may be useful in avoiding useless or unnecessary motions. Therefore, prior to the hearing of any motion, petition or application, except applications to appear *pro hac vice* and motions to withdraw as counsel of record, all counsel and parties appearing in *propria persona* shall confer in a good faith attempt to eliminate the necessity of the hearing or resolve as many disputes as possible.

Counsel for the moving party shall arrange the conference to meet and confer and, at least 3 calendar days before the hearing, file with the court a statement entitled "Meet and Confer," summarizing the issues remaining in dispute and the respective positions taken.

2. **Tentative Rulings:** Members of the Complex Civil Panel may publish tentative law and motion rulings by any system described in Local Rule 382.
3. **Off Calendars and Continuances:** In order to promote judicial economy and avoid wasting court resources, counsel for moving parties must notify the courtroom clerk as soon as possible if any matter will be taken off calendar. Stipulations between the parties to continue a matter must be approved by the court.

#### **VI. EX PARTE APPLICATIONS:**

1. The court's consideration of an *ex parte* application will not interfere with or delay any trial in progress. The moving party is expected to adhere to the provisions of California Rules of Court, Rule 3.1200 – 3.1207. All papers necessary to the determination of the application, including any proposed pleading, motion or order, must be submitted with the *ex parte* application. Counsel should contact the courtroom clerk to verify any specific deadlines for the submission of moving papers or other preferences applicable to that department. Counsel may also contact the courtroom clerk to inquire if oral argument will be permitted, or if the court will rule based on the application and any written opposition.
2. The application shall include a declaration of Notice of Ex Parte Hearing and a proposed order; and shall state in the notice the irreparable harm, immediate danger or other basis for *ex parte* relief that will result if the requested relief is not granted until a regularly noticed motion may be heard.

#### **VII. MANDATORY SETTLEMENT CONFERENCES (“MSC’s”):**

Compliance with Local Rule 316 is required.

All of the judges at the Civil Complex Center are willing to help another judge in the settlement of a complex case depending upon the judge's available calendar. If the parties agree to have a mandatory settlement conference conducted by a judge other than the assigned judge, the parties should first determine the other judge's availability before asking the assigned judge to order the settlement conference. However, it is not presumed that the judge to whom a case is assigned should not conduct the mandatory settlement conferences in his or her cases. If a party objects to the trial judge's participation in the MSC, the party must advise the judge or the courtroom clerk of its objection prior to the setting of the MSC. Counsel are advised to check with the court to determine its preference in this regard.

#### **VIII. Pre-trial Conferences**

1. A Pre-trial Conference may be scheduled 30-90 days before trial for the purpose of determining the readiness of the parties and resolving procedural issues concerning the trial. The goal of the Pre-trial Conference is to make the trial proceed as predictably and smoothly as possible. **The Pre-trial**

**Conference is not a substitute for the Issues Conference required by Local Rule 317.**

2. At the Pre-trial Conference, counsel should be prepared to state whether his or her client will be using the electronic presentation of evidence at the trial. Using electronic equipment to present evidence at trial requires preparation, organization and cooperation by the parties. The court expects that the parties will work together in devising a protocol for the pre-marking of exhibits by using prefixes or a super-numeration system to designate the proponent of the evidence. Where there are multiple pages to a single exhibit, each page should be bates-stamped. Counsel should contact the courtroom clerk to determine if the trial judge has a specific preference for how exhibits should be marked.
3. In a case where it is reasonable to presume voluminous documents will be produced during discovery, counsel are urged to agree upon a protocol for the pre-marking of exhibits at the earliest time possible, preferably before the initiation of discovery and delivery to a document depository. It is less expensive to mark and index voluminous documents as they are deposited than when it is done on the eve of trial.
4. Counsel are required to cooperate throughout the trial so that one party's electronic exhibits are available to the other side to display during cross-examination.
5. The electronic version of documents, photographs, charts or other demonstrative evidence may be substituted for the actual exhibit at trial upon the stipulation of the parties and order of the court. This guideline is not meant to alter the rules of discovery or the obligation of a party to make available the original of a document for inspection by another party through discovery or at the Issues Conference.
6. Physical exhibits and documents are not required to be presented in a digitalized format. However, evidence which has not been presented in electronic form customarily will be ordered by the court returned at the end of the appeal period to the party which offered it. Before trial commences, counsel will be asked to sign a stipulation for the return and maintenance of the exhibits. Plaintiff will maintain joint exhibits unless the court orders otherwise.

**IX. Use of the Court's Evidence Presentation Systems**

1. **On-Site Electronic Evidence Presentation Systems:** Every courtroom has the capability of being equipped with court-based evidence presentation systems for use by the parties. Counsel are strongly encouraged to take advantage of the benefits of the electronic presentation of evidence when in trial at the Civil Complex Center to enhance the orderly and effective presentation of evidence, reduce concerns about the custody and security of exhibits, and reduce the work and expense associated with the tagging, storing and transporting of exhibits. In an appropriate case, the court may require the

use of an electronic evidence presentation system. Electronic evidence presentation systems must be compatible with the court's infrastructure (video distribution amplifier, wiring, conduit, floor receptacles and connectors).

2. **Electronic Evidence Standard Format:** Counsel presenting evidence that is exclusively electronic in form must present the evidence in PDF file format and stored on CD-R. Whenever evidence is presented electronically, the physical custody of exhibits by the clerk is replaced by the electronic record of the exhibits. Evidence must be in sequential order with the exception of JPEG and MPEG files which shall be stored on separate discs. Counsel may also prepare electronic evidence using alternate non-proprietary formats subject to the approval of the court. The compact discs (CDs) must be labeled as follows:

Case #  
Case Name  
Exhibits \_\_\_\_ to \_\_\_\_  
(Original or Backup copy)

The courtroom clerk will maintain an updated exhibit list. When evidence is electronically presented at the trial, the court may require counsel to periodically submit to the clerk an up-to-date CD containing exhibits received into evidence.

It is counsels' responsibility to identify and track redactions, modifications, and substitution of exhibits. Counsel are expected to be prepared to submit an up-to-date evidence CD with all redactions, modifications, and substitutions, as well as impeachment documents used, upon the courtroom clerk's request.

Impeachment exhibits are not pre-marked. However, counsel are responsible for having the document electronically recorded upon being offered into evidence (exhibit numbers may be reserved for this purpose).

If the jury will be provided the evidence in electronic format for its deliberation, the parties are required to meet and confer and submit the final joint exhibit list containing only those exhibits received into evidence. The CD used by the jurors must include the joint exhibit list and the electronically stored exhibits which have been entered into evidence. Submission of the joint evidence CD also serves as a stipulation that all exhibits presented in electronic form to the jury are complete and correct. Any disagreement must be brought to the attention of the court at the earliest reasonable time. Counsel must lodge two (2) evidence CDs of all exhibits received into evidence.

#### **X. TRIALS – MOTIONS IN LIMINE**

Counsel should attempt to resolve evidentiary disputes at the Local Rule 317 Issues Conference before resorting to filing a motion *in limine*. It is frequently more productive of court time, and the client's money for counsel to informally address at the Issues Conference the issues which could be raised in motions *in limine* and, instead of a motion, present a stipulation to the court on uncontested issues. Matters of day-to-day

trial logistics and common professional courtesy should not be the subject of motions *in limine*. These are matters of common professional courtesy that should be accorded counsel in all trials. See, Kelly v. New West Federal Savings (1996) 49 Cal.App.4<sup>th</sup> 659,671.

#### APPENDIX 1

### **California Attorney Guidelines of Civility and Professionalism**

(Abbreviated, adopted July 20, 2007)

INTRODUCTION. As officers of the court with responsibilities to the administration of justice, attorneys have an obligation to be professional with clients, other parties and counsel, the courts and the public. This obligation includes civility, professional integrity, personal dignity, candor, diligence, respect, courtesy, and cooperation, all of which are essential to the fair administration of justice and conflict resolution.

These are guidelines for civility. The Guidelines are offered because civility in the practice of Law promotes both the effectiveness and the enjoyment of the practice and economical client representation. The legal profession must strive for the highest standards of attorney behavior to elevate and enhance our service to justice. Uncivil or unprofessional conduct not only disserves the individual involved, it demeans the profession as a whole and our system of justice.

These voluntary Guidelines foster a level of civility and professionalism that exceed the minimum requirements of the mandated Rules of Professional Conduct as the best practices of civility in the practice of law in California. The Guidelines are not intended to supplant these or any other rules or laws that govern attorney conduct. Since the Guidelines are not mandatory rules of professional conduct, nor rules of practice, nor standards of care, they are not to be used as an independent basis for disciplinary charges by the State Bar or claims of professional negligence.

The Guidelines are intended to complement codes of professionalism adopted by bar associations in California. Individual attorneys are encouraged to make these guidelines their personal standards by taking the pledge that appears at the end. The Guidelines can be applicable to all lawyers regardless of practice area. Attorneys are encouraged to comply with both the spirit and letter of these guidelines, recognizing that complying with these guidelines does not in any way denigrate the attorney's duty of zealous representation.

---

SECTION 1. The dignity, decorum and courtesy that have traditionally characterized the courts and legal profession of civilized nations are not empty formalities. They are essential to an atmosphere that promotes justice and to an attorney's responsibility for the fair and impartial administration of justice.

SECTION 2. An attorney should be mindful that, as individual circumstances permit, the goals of the profession include improving the administration of justice and contributing time to persons and organizations that cannot afford legal assistance.

An attorney should encourage new members of the bar to adopt these guidelines of civility and professionalism and mentor them in applying the guidelines.

SECTION 3. An attorney should treat clients with courtesy and respect, and represent them in a civil and professional manner. An attorney should advise current and potential clients that it is not acceptable for an attorney to engage in abusive behavior or other conduct unbecoming a member of the bar and an officer of the court.

As an officer of the court, an attorney should not allow clients to prevail upon the attorney to engage in uncivil behavior.

An attorney should not compromise the guidelines of civility and professionalism to achieve an advantage.

SECTION 4. An attorney's communications about the legal system should at all times reflect civility, professional integrity, personal dignity, and respect for the legal system. An attorney should not engage in conduct that is unbecoming a member of the Bar and an officer of the court.

Nothing above shall be construed as discouraging the reporting of conduct that fails to comply with the Rules of Professional Conduct.

SECTION 5. An attorney should be punctual in appearing at trials, hearings, meetings, depositions and other scheduled appearances.

SECTION 6. An attorney should advise clients that civility and courtesy in scheduling meetings, hearings and discovery are expected as professional conduct.

In considering requests for an extension of time, an attorney should consider the client's interests and need to promptly resolve matters, the schedules and willingness of others to grant reciprocal extensions, the time needed for a task, and other relevant factors.

Consistent with existing law and court orders, an attorney should agree to reasonable requests for extensions of time that are not adverse to a client's interests.

SECTION 7. The timing and manner of service of papers should not be used to the disadvantage of the party receiving the papers.

SECTION 8. Written materials directed to counsel, third parties or a court should be factual and concise and focused on the issue to be decided.



SECTION 9. Attorneys are encouraged to meet and confer early in order to explore voluntary disclosure, which includes identification of issues, identification of persons with knowledge of such issues, and exchange of documents.

Attorneys are encouraged to propound and respond to formal discovery in a manner designed to fully implement the purposes of the California Discovery Act.

An attorney should not use discovery to harass an opposing counsel, parties or witnesses. An attorney should not use discovery to delay the resolution of a dispute.

SECTION 10. An attorney should consider whether, before filing or pursuing a motion, to contact opposing counsel to attempt to informally resolve or limit the dispute.

SECTION 11. It is important to promote high regard for the profession and the legal system among those who are neither attorneys nor litigants. An attorney's conduct in dealings with nonparty witnesses should exhibit the highest standards of civility.

SECTION 12. In a social setting or otherwise, an attorney should not communicate ex parte with a judicial officer on the substance of a case pending before the court, unless permitted by law.

SECTION 13. An attorney should raise and explore with the client and, if the client consents, with opposing counsel, the possibility of settlement and alternative dispute resolution in every case as soon possible and, when appropriate, during the course of litigation.

SECTION 14. To promote a positive image of the profession, an attorney should always act respectfully and with dignity in court and assist the court in proper handling of a case.

SECTION 15. An attorney should not take the default of an opposing party known to be represented by counsel without giving the party advance warning.

SECTION 16. An attorney should avoid even the appearance of bias by notifying opposing counsel or an unrepresented opposing party of any close, personal relationships between the attorney and a judicial officer, arbitrator, mediator or court-appointed expert and allowing a reasonable opportunity to object.

SECTION 17. An attorney should respect the privacy rights of parties and non-parties.

SECTION 18. An attorney should negotiate and conclude written agreements in a cooperative manner and with informed authority of the client.

In addition to other applicable Sections of these Guidelines, attorneys engaged in a transactional practice have unique responsibilities because much of the practice is conducted without judicial supervision.

SECTION 19. In addition to other applicable Sections of these Guidelines, in family law proceedings an attorney should seek to reduce emotional tension and trauma and encourage the parties and attorneys to interact in a cooperative atmosphere, and keep the best interests of the children in mind.

SECTION 20. In addition to other applicable Sections of these Guidelines, criminal law practitioners have unique responsibilities. Prosecutors are charged with seeking justice, while defenders must zealously represent their clients even in the face of seemingly overwhelming evidence of guilt. In practicing criminal law, an attorney should appreciate these roles.

SECTION 21. Judges are encouraged to become familiar with these Guidelines and to support and promote them where appropriate in court proceedings.

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ATTORNEY'S PLEDGE. I commit to these Guidelines of Civility and Professionalism and will be guided by a sense of integrity, cooperation and fair play.

I will abstain from rude, disruptive, disrespectful, and abusive behavior, and will act with dignity, decency, courtesy, and candor with opposing counsel, the courts and the public.

As part of my responsibility for the fair administration of justice, I will inform my clients of this commitment and, in an effort to help promote the responsible practice of law, I will encourage other attorneys to observe these Guidelines.

CM-010

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address): Joseph E. Thomas (State Bar No. 101443) Thomas Whitelaw & Kolegraff LLP 18101 Von Karman Avenue, Suite 230, Irvine, CA 92612		<b>FOR COURT USE ONLY</b>  <b>ELECTRONICALLY FILED</b> Superior Court of California, County of Orange <b>11/08/2018 at 06:10:37 PM</b> Clerk of the Superior Court By Georgina Ramirez, Deputy Clerk	
TELEPHONE NO.: (949) 679-6400 FAX NO.: (949) 679-6405 ATTORNEY FOR (Name): Plaintiff Wamar International, LLC			
SUPERIOR COURT OF CALIFORNIA, COUNTY OF ORANGE STREET ADDRESS: 751 West Santa Ana Boulevard MAILING ADDRESS: CITY AND ZIP CODE: Santa Ana, CA 92701 BRANCH NAME: Civil Complex Center			
CASE NAME: Wamar International, LLC v. Thales Avionics, Inc., et al.			
<b>CIVIL CASE COVER SHEET</b> <input checked="" type="checkbox"/> <b>Unlimited</b> (Amount demanded exceeds \$25,000) <input type="checkbox"/> <b>Limited</b> (Amount demanded is \$25,000 or less)		<b>Complex Case Designation</b> <input type="checkbox"/> <b>Counter</b> <input type="checkbox"/> <b>Joinder</b> Filed with first appearance by defendant (Cal. Rules of Court, rule 3.402)	CASE NUMBER: 30-2018-01031861-CU-BC-CXC
		JUDGE: Judge Glenda Sanders DEPT: CX-101	

Items 1-6 below must be completed (see instructions on page 2).

1. Check **one** box below for the case type that best describes this case:
- |  |   |  |
|--|---|--|
| <b>Auto Tort</b><br><input type="checkbox"/> Auto (22)<br><input type="checkbox"/> Uninsured motorist (46)<br><b>Other PI/PD/WD (Personal Injury/Property Damage/Wrongful Death) Tort</b><br><input type="checkbox"/> Asbestos (04)<br><input type="checkbox"/> Product liability (24)<br><input type="checkbox"/> Medical malpractice (45)<br><input type="checkbox"/> Other PI/PD/WD (23)<br><b>Non-PI/PD/WD (Other) Tort</b><br><input type="checkbox"/> Business tort/unfair business practice (07)<br><input type="checkbox"/> Civil rights (08)<br><input type="checkbox"/> Defamation (13)<br><input type="checkbox"/> Fraud (16)<br><input type="checkbox"/> Intellectual property (19)<br><input type="checkbox"/> Professional negligence (25)<br><input type="checkbox"/> Other non-PI/PD/WD tort (35)<br><b>Employment</b><br><input type="checkbox"/> Wrongful termination (36)<br><input type="checkbox"/> Other employment (15) | <b>Contract</b><br><input checked="" type="checkbox"/> Breach of contract/warranty (06)<br><input type="checkbox"/> Rule 3.740 collections (09)<br><input type="checkbox"/> Other collections (09)<br><input type="checkbox"/> Insurance coverage (18)<br><input type="checkbox"/> Other contract (37)<br><b>Real Property</b><br><input type="checkbox"/> Eminent domain/inverse condemnation (14)<br><input type="checkbox"/> Wrongful eviction (33)<br><input type="checkbox"/> Other real property (26)<br><b>Unlawful Detainer</b><br><input type="checkbox"/> Commercial (31)<br><input type="checkbox"/> Residential (32)<br><input type="checkbox"/> Drugs (38)<br><b>Judicial Review</b><br><input type="checkbox"/> Asset forfeiture (05)<br><input type="checkbox"/> Petition re: arbitration award (11)<br><input type="checkbox"/> Writ of mandate (02)<br><input type="checkbox"/> Other judicial review (39) | <b>Provisionally Complex Civil Litigation (Cal. Rules of Court, rules 3.400-3.403)</b><br><input type="checkbox"/> Antitrust/Trade regulation (03)<br><input type="checkbox"/> Construction defect (10)<br><input type="checkbox"/> Mass tort (40)<br><input type="checkbox"/> Securities litigation (28)<br><input type="checkbox"/> Environmental/Toxic tort (30)<br><input type="checkbox"/> Insurance coverage claims arising from the above listed provisionally complex case types (41)<br><b>Enforcement of Judgment</b><br><input type="checkbox"/> Enforcement of judgment (20)<br><b>Miscellaneous Civil Complaint</b><br><input type="checkbox"/> RICO (27)<br><input type="checkbox"/> Other complaint (not specified above) (42)<br><b>Miscellaneous Civil Petition</b><br><input type="checkbox"/> Partnership and corporate governance (21)<br><input type="checkbox"/> Other petition (not specified above) (43) |
|--|---|--|
2. This case ☒ is ☐ is not complex under rule 3.400 of the California Rules of Court. If the case is complex, mark the factors requiring exceptional judicial management:
- |   |  |
|---|--|
| a. <input checked="" type="checkbox"/> Large number of separately represented parties<br>b. <input checked="" type="checkbox"/> Extensive motion practice raising difficult or novel issues that will be time-consuming to resolve<br>c. <input checked="" type="checkbox"/> Substantial amount of documentary evidence | d. <input checked="" type="checkbox"/> Large number of witnesses<br>e. <input type="checkbox"/> Coordination with related actions pending in one or more courts in other counties, states, or countries, or in a federal court<br>f. <input checked="" type="checkbox"/> Substantial postjudgment judicial supervision |
|---|--|
3. Remedies sought (check all that apply): a. ☒ monetary    b. ☒ nonmonetary; declaratory or injunctive relief    c. ☒ punitive
4. Number of causes of action (specify): 14 (see Attachment No. 4).
5. This case ☐ is ☒ is not a class action suit.
6. If there are any known related cases, file and serve a notice of related case. (You may use form CM-015.)

Date: November 8, 2018

Joseph E. Thomas

(TYPE OR PRINT NAME)

(SIGNATURE OF PARTY OR ATTORNEY FOR PARTY)

**NOTICE**

- Plaintiff must file this cover sheet with the first paper filed in the action or proceeding (except small claims cases or cases filed under the Probate Code, Family Code, or Welfare and Institutions Code). (Cal. Rules of Court, rule 3.220.) Failure to file may result in sanctions.
- File this cover sheet in addition to any cover sheet required by local court rule.
- If this case is complex under rule 3.400 et seq. of the California Rules of Court, you must serve a copy of this cover sheet on all other parties to the action or proceeding.
- Unless this is a collections case under rule 3.740 or a complex case, this cover sheet will be used for statistical purposes only.

Page 1 of 2

MC-025

SHORT TITLE: Wamar International, LLC v. Thales Avionics, Inc., et al.	CASE NUMBER:
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ATTACHMENT (Number): 4

(This Attachment may be used with any Judicial Council form.)

4. Number of causes of action (specify):

1. Breach of Contract;
2. Intentional Misrepresentation;
3. Negligent Misrepresentation;
4. Intentional Misrepresentation;
5. Breach of Implied Covenant;
6. Restitution/Unjust Enrichment;
7. Intentional Interference with Contractual Relations;
8. Intentional Interference with Prospective Economic Relations;
9. Conspiracy to Commit Fraud;
10. Aiding and Abetting Intentional Misrepresentation;
11. Aiding and Abetting Breach of Implied Covenant; and
12. Quantum Meruit;
13. RICO
14. Declaratory Relief

(If the item that this Attachment concerns is made under penalty of perjury, all statements in this Attachment are made under penalty of perjury.)

Page 1 of 1  
(Add pages as required)

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 Superior Court of California,  
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**11/08/2018 at 06:10:37 PM**

Clerk of the Superior Court  
 By Georgina Ramirez, Deputy Clerk

JOSEPH E. THOMAS (State Bar No. 101443)  
*jthomas@twtlaw.com*  
 WILLIAM J. KOLEGRAFF (State Bar No. 183861)  
*wkolegraff@twtlaw.com*  
 WILLIAM S. SANDERSON (State Bar No. 189553)  
*wsanderson@twtlaw.com*  
**THOMAS WHITELAW & KOLEGRAFF LLP**  
 18101 Von Karman Avenue, Suite 230  
 Irvine, California 92612-7132  
 Telephone: (949) 679-6400  
 Facsimile: (949) 679-6405

ARTHUR H. BARENS (State Bar No. 43215)  
*barens@barensllaw.com*  
**LAW OFFICES OF ARTHUR H. BARENS**  
 10209 Santa Monica Boulevard  
 Los Angeles, California 90067  
 Telephone: (310) 557-0444

Attorneys for Plaintiff WAMAR  
 INTERNATIONAL, LLC

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**

**COUNTY OF ORANGE, CENTRAL JUSTICE CENTER**

WAMAR INTERNATIONAL, LLC, a  
 California limited liability company,

Plaintiff,

vs.

THALES AVIONICS, INC., a Delaware  
 corporation; THALES S.A., a public joint  
 stock company organized under the laws of  
 France; JEAN-MARC BUDIN, an individual;  
 and DOES 1 through 20, inclusive,

Defendants.

CASE NO. 30-2018-01031861-CU-BC-CXC  
**COMPLAINT FOR:** Judge Glenda Sanders

- (1) BREACH OF CONTRACT;
- (2) INTENTIONAL MISREPRESENTATION;
- (3) NEGLIGENT MISREPRESENTATION;
- (4) INTENTIONAL MISREPRESENTATION;
- (5) BREACH OF IMPLIED COVENANT;
- (6) RESTITUTION/UNJUST ENRICHMENT;
- (7) INTENTIONAL INTERFERENCE WITH CONTRACTUAL RELATIONS;
- (8) INTENTIONAL INTERFERENCE WITH PROSPECTIVE ECONOMIC RELATIONS;
- (9) CONSPIRACY TO COMMIT FRAUD;
- (10) AIDING AND ABETTING INTENTIONAL MISREPRESENTATION;
- (11) AIDING AND ABETTING BREACH OF IMPLIED COVENANT;
- (12) QUANTUM MERUIT;
- (13) RICO
- (14) DECLARATORY RELIEF

**DEMAND FOR JURY TRIAL**

1 Plaintiff WAMAR INTERNATIONAL LLC hereby alleges, on knowledge as to itself, but  
2 otherwise on information and belief, as follows:

3 **I. PARTIES**

4 1. Plaintiff WAMAR INTERNATIONAL LLC (hereinafter referred to as "Wamar")  
5 is a California limited liability company, having its registered office in Simi Valley, CA, and is  
6 duly qualified to conduct business in the State of California.

7 2. The President and Chief Executive Officer of Wamar is a United States citizen and  
8 is the majority owner of Wamar's ultimate parent company.

9 3. Wamar and its principal have extensive experience, practice and expertise in the  
10 aviation business worldwide.

11 4. Defendant THALES AVIONICS, INC. (hereinafter referred to as "Thales  
12 Avionics") is a corporation organized and existing under the laws of the state of Delaware, having  
13 its principal place of business in Irvine, California.

14 5. Upon information and belief, Thales Avionics specializes in the supply, delivery,  
15 installation and maintenance of in-flight entertainment systems (hereinafter collectively referred to  
16 as "IFE systems") for large commercial airlines on a global basis. IFE systems provide airline  
17 passengers with the ability to watch movies/TV on seat-back screens, listen to music, access Wi-Fi  
18 and more. Typically an airline operator will select a provider for the installation of IFE system  
19 onto newly purchased aircraft, and at a later time add connectivity and other technologies to the  
20 system. The connectivity technology adds features such as passenger internet access. The IFE  
21 systems and the connectivity technology may be provided by the same company or by different  
22 companies.

23 6. Defendant THALES S.A. (hereinafter referred to as "Thales S.A.") is a public joint  
24 stock company organized and existing under the international laws of France.

25 7. Upon information and belief, Thales S.A. is the parent company of Thales  
26 Avionics, with Thales Avionics being a wholly-owned subsidiary of Thales S.A. Thales S.A. is  
27 25.8% owned by the government of France.

28 8. Upon information and belief, Thales S.A. is also the parent company of The Thales

1 Group of companies, a \$19 billion dollar per year enterprise with operations in 56 countries.

2 9. Thales Group is a worldwide group of companies that have roles in aerospace,  
3 transport, defense, and security domains.

4 10. Thales International Middle East & Western Asia SAL (hereinafter referred to as  
5 "Thales SAL"), is a company organized and existing under the laws of Lebanon, recorded at the  
6 Beirut Commercial Register - Offshore companies special register number 1805913 - having its  
7 registered office located in- Beirut, Lebanon.

8 11. Thales SAL operates within the Thales Group in the Middle East.

9 12. Thales International Western Countries B.V. (hereinafter referred to as "Thint  
10 WECO") is a company organized and existing under the Law of The Netherlands, having its  
11 registered address in Luchthaven Schiphol, The Netherlands.

12 13. Thint WECO operates within the Thales Group in Western European and Middle  
13 East countries.

14 14. Thales AMEWA FZE (hereinafter referred to as "Thales AMEWA") is a company  
15 organized and existing under the laws of The United Arab Emirates, having its registered address  
16 in the Dubai Airport Free Zone, United Arab Emirates (hereinafter referred to as "U.A.E.")

17 15. Thales AMEWA operates within the Thales Group in Africa, the Middle East and  
18 Western Asia.

19 16. In some cases, various Thales Group entities or personnel acted in concert to  
20 benefit not only Thales Avionics or Thales S.A. specifically, but the Thales Group generally, such  
21 that it is impossible to limit the Thales Group personnel or the Thales Group beneficiaries to a  
22 single Thales Group company. This Complaint simply refers to "Thales" in such generalized  
23 instances.

24 17. Defendant JEAN-MARC BUDIN ("Budin") is an individual.

25 18. Upon information and belief Budin is Thales S.A.'s Senior Vice President - Middle  
26 East, Africa & India. Budin was in frequent communication with Wamar senior management  
27 throughout the time period covered by this complaint, giving direction to Wamar and receiving  
28 updates from Wamar.



19. TABA GENERAL TRADING & INVESTMENT COMPANY LLC (hereinafter referred to as “TABA”) is a limited liability company, an American-owned business, with a U.S. taxpayer identification number, organized and existing under the Law of Jordan, having its registered office in Amman, Jordan.

20. TABA operates within the Wamar Group in the Middle East.

21. TABA's Chief Executive Officer is the sole owner of TABA.

22. TABA and its principal have extensive experience, practice and expertise in the aviation business worldwide.

23. Wamar is ignorant of the true names and a capacity of defendants sued herein as DOES 1 through 20, inclusive, and therefore sues these defendants by such fictitious names.

Wamar will amend this Complaint to allege their true names and capacities when ascertained.

24. On information and belief, Wamar alleges that all defendants are, in some manner, partially or equally responsible for the acts and omissions alleged in this Complaint that caused Wamar's injuries and damages.

25. On information and belief, Wamar alleges that at all times each defendant was the alter ego, joint venturer, agent, servant, employee, partner, or surety of the other defendants and was acting within the scope of such venture, agency, employment, partnership, or suretyship, with the knowledge, consent, or ratification of each of the other defendants in doing the things alleged in this Complaint.

## II. VENUE AND JURISDICTION

26. Venue is proper in this Court under California Code of Civil Procedure § 395 et seq. because the contracts which are the subject of this complaint were made in Orange County, California, and Wamar's and Thales Avionics' principal places of business are in Orange County, California.

27. This Court has jurisdiction over Thales S.A. because the contracts which are the subject of this complaint were made in Orange County, California and Thales S.A. subjected itself to this Court's jurisdiction when it made material false representations to Wamar in Orange County, California and conspired with Thales Avionics to commit fraud against Wamar.

1           28.     This Court has jurisdiction over Budin because he subjected himself to this Court's  
2 jurisdiction when he made material false representations to Wamar in Orange County, California  
3 and conspired with Thales Avionics and Thales S.A. to commit fraud against Wamar.

### 4                                   **III. FACTUAL BACKGROUND**

#### 5           **Introductory Statement**

6           29.     For at least 7 years Thales violated its own internal compliance rules, and possibly  
7 even US and French compliance regulations and laws. It did so for money. Lots of money. But  
8 suddenly, at the end of 2017, Thales got spooked by its mounting compliance violations, and  
9 began trying to re-write the facts to avoid the severe consequences for its actions. First, it forced  
10 its long-time senior compliance officer out of Thales, paying him an enormous "golden parachute"  
11 to have him quietly leave the company. Then, Thales engaged in a desperate conspiracy to cover-  
12 up its malfeasance at the expense of Wamar and Taba. But Thales cannot so easily wipe the slate  
13 clean. It is indisputable that Thales directed Taba (owned by Wamar senior management) to act as  
14 a business consultant to obtain airline contracts worth billions, and agreed to pay Taba a fee for its  
15 successes. And it is also indisputable that Thales directed Wamar (also owned by Wamar senior  
16 management) to act as an in-country Key Industrial Partner (KIP), and agreed to pay Wamar a fee  
17 for its successes. Thales directed Taba and Wamar to work on the same projects, knowing full well  
18 that its internal compliance rules, and possibly U.S. and French laws, forbid using Wamar senior  
19 management in both capacities.

20           30.     Defendant Jean-Marc Budin is central to both (1) directing the compliance  
21 violations, and (2) managing the cover-up. It was Mr. Budin that orchestrated the efforts to entice  
22 both Wamar and Taba to work for Thales on the same projects. As a key executive of Thales, he  
23 would have been fully aware that he was violating internal Thales compliance rules, and possibly  
24 U.S. and French laws, by directing Wamar senior management to act both as a business consultant  
25 and a KIP for the same project. But he did so because he knew that Wamar and Taba could  
26 deliver billions in value to Thales, which they did. Mr. Budin's violations not only put him at risk  
27 of discipline within Thales, but Mr. Budin's actions may put Thales in the crosshairs of French  
28

1 and US compliance regulators, and expose Thales to governmental sanctions, and fines, a press  
2 disaster, and a resulting loss of significant business. With this level of risk, Mr. Budin is now in  
3 full cover-up mode.

4 31. Prior to engaging Wamar, Thales, despite its intricate web of worldwide operating  
5 companies, was incapable of establishing any meaningful IFE systems business in the Middle East  
6 region. In fact, its competitor Panasonic had the Middle Eastern IFE systems business secured,  
7 leaving Thales powerless to gain any foothold in the lucrative Middle East IFE systems market.  
8 On the rare occasion when Thales managed to win an IFE systems contract, they were naïve and  
9 ineffective in performing, which resulted in inevitably losing the business. Thales was a total  
10 mess in the Middle East.

11 32. Wamar's principal is a U.S. citizen of Jordanian descent who has conducted  
12 substantial business in the Middle East for over 40 years. Wamar's senior management is known  
13 for having developed substantial personal relationships within the aviation industry in general  
14 throughout the world, and in the Middle East in particular, as well as with significant national  
15 leaders worldwide.

16 33. Thales and Budin were fully aware of Wamar senior management's expertise in the  
17 airline/aviation business, and aggressively sought them out to bolster and promote the Thales IFE  
18 system. With the help of Wamar senior management, Thales was confident it could finally break  
19 into valuable airline markets in the Middle East and other areas in the world.

20 34. Wamar senior management, through the Wamar and TABA companies, agreed to  
21 help Thales, and entered into agreements with several of Thales' operating companies. As will be  
22 detailed below, each of the agreements with Thales followed a similar pattern: (1) Wamar senior  
23 management agreed to assist in obtaining specific contracts for the installation of IFE systems for  
24 Thales with specific airline companies, and (2) Thales agreed to award local work and pay Wamar  
25 and TABA when the contract was awarded to Thales. As it turned out, Wamar senior  
26 management was astonishingly successful in obtaining IFE systems contracts for Thales,  
27 increasing Thales' market share of IFE systems for Middle Eastern airlines from zero percent (0%)  
28

1 to sixty percent (60%), and thereby earned substantial fees and royalties for its work as  
 2 documented. As described herein more completely, Thales did not pay. Instead, after it had the  
 3 contracts in hand, Thales would contrive excuses and devise intricate schemes to dodge its  
 4 payment obligations to Wamar.

5 35. It has now become apparent that Thales' world-wide scheme to defraud Wamar  
 6 was a well-orchestrated and meticulously-executed conspiracy. Thales is a monstrous international  
 7 behemoth, and it used its size, wealth, and legal resources to manipulate Wamar's senior  
 8 management.

9 36. Thales and Budin refused to pay Wamar and TABA what was owed in order to (1)  
 10 reap the windfall of successful contracts without paying what they promised, and (2) cover up the  
 11 fact that by retaining TABA as a business advisor and Wamar as a KIP Thales was knowingly and  
 12 intentionally violating U.S. and French laws and regulations.

13 37. Over the span of 7 years, Wamar senior management and Wamar have secured over  
 14 \$2B in contracts on behalf of the Defendants with large airline and transport companies in the  
 15 Middle Eastern region. Instead of paying outstanding agreed-upon consulting fees to Wamar, the  
 16 Defendants have conspired to induce Wamar's continued performance with no intention of ever  
 17 paying what is owed.

18 38. The process used by Defendants (whether Thales Avionics, Thales SAL, Thales  
 19 S.A. or other Thales Group companies and Budin acting on behalf of Thales) has been consistent  
 20 to the point of being a conspiracy:

- 21 a. Seek out Wamar's help on lucrative contracts that Thales could never secure on its
- 22 own;
- 23 b. Induce Wamar's performance with promises of consulting fees, subcontract work
- 24 and spare parts distribution throughout the area if Wamar was successful in
- 25 delivering the contracts;
- 26 c. Wait patiently for Wamar to deliver the contracts;
- 27 d. Fabricate an excuse not to pay Wamar; and
- 28 e. Reap the rewards of Wamar's efforts.

1           39. Finally, when Wamar senior management pressed Thales for payment of the fees  
2 due to Wamar and TABA, Thales refused, necessitating this Complaint.

3           40. Thales' agreements with Wamar and TABA involve a number of Thales  
4 companies, covering activities with several airline transport companies (and one rail company), in  
5 different Gulf State countries, and provide for dispute resolution venues around the world. This  
6 complaint addresses only those claims and those agreements which are subject to this Court's  
7 jurisdiction.

8 **The Emirates Airline Projects**

9           41. Wamar, its principal and senior executives, have a significant presence and  
10 influence and are well known and respected for their experience, practice and expertise in the  
11 global aviation and transport business, particularly in Middle Eastern countries. Wamar and its  
12 principal own and operate manufacturing and development facilities in the Middle East, Europe  
13 and the United States.

14           42. Prior to 2011, Thales Avionics had for many years labored to grow its airline IFE  
15 systems business in the Middle East but was wholly unsuccessful. Thales Avionics had utterly  
16 failed in securing business with Turkish Airlines, Kuwait Airways, Emirates Airlines and Qatar  
17 Airways, among other airline companies.

18           43. Thales Avionics' inability to get airline business in the Middle East continued into  
19 2011 when Thales Avionics unsuccessfully attempted to secure a large IFE systems contract with  
20 several airlines, such as Emirates. Thales Avionics pursued, but on its own could not win  
21 Emirates business. Indeed, Thales Avionics had little chance of ever acquiring any Emirates IFE  
22 systems business on its own, as Emirates had used Panasonic as its IFE systems supplier for over  
23 30 years and had indicated its intention to stay with Panasonic into the future. After years of  
24 failure, Thales Avionics knew it needed professional assistance and guidance if it were to oust  
25 Panasonic and achieve success in the aviation industry, particularly in the Middle East.

26           44. Therefore, Thales Avionics approached Wamar to seek its advice and assistance in  
27 finally winning an Emirates opportunity. Thales knew that Wamar senior management had  
28 extensive personal relationships with senior executives at several airline companies, particularly in

1 the Middle Eastern region. It was because of this reputation and expertise in the airline industry,  
2 that Thales targeted Wamar and its senior management as the experts who could turn Thales'  
3 Middle East failures into successes. In furtherance of that effort, on December 21, 2012, Wamar  
4 and Thales Avionics entered into a binding contract (hereinafter referred to as the "Emirates 2012  
5 MOU") regarding the pursuit of business with Emirates.

6 45. At this particular time, Emirates was actively in the process of selecting a company  
7 to: (1) supply, deliver and install a large number of IFE systems on its fleet of Airbus 380  
8 (hereinafter referred to as "A380") and Boeing 777X (hereinafter referred to as "B777X") aircraft;  
9 and (2) establish and operate an IFE systems repair and parts distribution facility, as well as a high  
10 tech Discovery Innovation Center in Dubai to develop and market IFE systems technology for  
11 Thales (hereinafter collectively referred to as "The Project").

12 46. Thales Avionics desperately wanted to win The Project but did not have a facility  
13 in Dubai that satisfied the requirements of Emirates and had no idea how it could finally replace  
14 the well-entrenched Panasonic IFE system. Accordingly, aware of Wamar's experience and its  
15 principal's personal connections with decision-level executives in the Middle East in particular,  
16 Thales Avionics sought out Wamar and its senior management for assistance with (1) pursuing the  
17 IFE systems business with Emirates, and (2) developing the Dubai facility.

18 47. In the Emirates 2012 MOU, Thales Avionics promised that if Wamar secured The  
19 Project for Thales Avionics, then Thales Avionics would subcontract operation of the IFE systems  
20 repair, logistics, installment and parts distribution facility, and the Discovery Innovation Center in  
21 Dubai (hereinafter referred collectively as the "The Dubai Centers") to Wamar. Thales S.A.  
22 represented that operating The Dubai Centers over a 26-year period would be worth more than  
23 \$150M plus, over and above the normal profit to Wamar if Emirates awarded Thales Avionics a  
24 contract for (150) aircraft. In addition, Wamar could potentially earn a much greater profit because  
25 The Dubai Centers would service other airline customers of Thales and service other types of  
26 aircrafts such as A380, A350, A330, A320, A319, B737, B787 among other types.

27 48. The Emirates 2012 MOU set forth the terms and conditions under which Thales  
28 Avionics and Wamar would execute a subcontract for The Dubai Centers when: 1) Thales



1 Avionics was awarded the contract by Emirates for The Project; and 2) Wamar was formally  
2 approved as a Key Industrial Partner (hereinafter referred to as "KIP") by Thales S.A.

3 49. The Emirates 2012 MOU provided that it would subcontract the "work share" (as  
4 defined therein) to Wamar after The Project was awarded to Thales Avionics. The work share  
5 included, among other things, establishing and operating The Dubai Centers, repair of IFE systems  
6 equipment, logistical services, delivering spare parts and consumables to Thales Avionics'  
7 customers, and developing and marketing advanced IFE systems and related technology at The  
8 Dubai Centers.

9 50. Due to minor changes in The Project, after entering into the Emirates 2012 MOU,  
10 Wamar and Thales Avionics discussed entering into a second agreement to confirm Thales  
11 Avionics' intent to select Wamar as the sole subcontractor for The Project.

12 51. Accordingly, on January 14, 2013, Wamar and Thales Avionics entered into a  
13 binding Letter of Intent (hereinafter referred to as the "January 2013 LOI") confirming that Thales  
14 Avionics would select Wamar as the sole subcontractor for The Project as initially expressed in  
15 the Emirates 2012 MOU. A true and correct copy is attached hereto as Exhibit 1.

16 52. Thales knew that Wamar and its senior management had the resources, expertise,  
17 personnel and personal relationships to obtain business with Emirates and other airlines and to  
18 establish and operate The Dubai Centers. Therefore, Thales Avionics and Thales S.A. induced  
19 and used Wamar and its senior management to establish The Dubai Centers using Wamar's money  
20 and resources. Wamar was willing to spend the time and money necessary to establish The Dubai  
21 Centers in reliance upon representations from Thales Avionics, Thales S.A. that Wamar would be  
22 qualified as a KIP and operation of The Dubai Centers would be subcontracted to Wamar. Those  
23 representations turned out to be false.

24 53. The January 2013 LOI was a binding agreement subject to only two conditions  
25 subsequent: 1) that Emirates select Thales Avionics as sole supplier for IFE systems, support  
26 services and connectivity technology for (50) B777X aircraft and/or (32) A380 aircraft; and 2) that  
27 Wamar and Thales Avionics reach mutual written agreement on subcontracting terms and  
28 conditions, in accordance with the principles set out in the Emirates 2012 MOU. If Emirates were

1 to select Thales Avionics for only one fleet of aircraft, then the subcontract agreement would be  
2 adjusted accordingly. As more thoroughly described below, both conditions subsequent were fully  
3 performed by Wamar and/or excused from further performance by virtue of Thales Avionics' and  
4 Thales S.A.'s arbitrary and bad faith determination that Wamar did not satisfy Thales' arbitrary  
5 and illusory internal KIP requirements. This determination was done in bad faith by Thales S.A.  
6 with the sole objective to deprive Wamar of the benefits of the contract, keeping the benefits for  
7 Thales.

8         54. In late 2016, while Wamar was aggressively working with Thales around the clock  
9 to obtain the Emirates aircraft contract, the parties continued negotiating their mutual written  
10 agreement which would memorialize the terms and conditions set out in the January 2013 LOI and  
11 the Emirates 2012 MOU. This mutual written agreement was stylized as the Service Level  
12 Agreement (hereinafter referred to as "SLA"). The SLA further confirmed the relationship  
13 between Thales Avionics and Wamar as contractor and subcontractor for The Dubai Centers. At  
14 the same time, on September 21, 2016, Thales, as a result of Wamar's efforts, had won the award  
15 for installation of IFE systems and connectivity technology services on (150) B777X aircraft from  
16 Emirates, valued at approximately \$975M plus, with actual delivery of the aircraft to Emirates  
17 scheduled to begin in December 2019 or early 2020, and is positioned to win the A380 aircraft  
18 contract (up to 65 aircraft) within the next couple of months. The work on the A380 IFE systems  
19 campaign with Emirates has been ongoing non-stop for the past five years and is expected to be  
20 awarded by the end of 2019 due to landing right issues being worked out between the U.A.E. and  
21 the French DGA (civil aviation).

22         55. Although Wamar has secured the award for all (150) B777X aircraft, Thales must  
23 still perform to Emirates expectations. Currently, the contract awarded to Thales is for (50)  
24 B777X aircraft, of which (20) are firm and (30) are options. In the aviation industry this is a  
25 standard practice. Unless Thales fails to perform as promised, Emirates has, in effect with this  
26 contract, awarded all (150) B777X aircraft to Thales.

27         56. Making an award with only (50) aircraft with (20) aircraft firm is to ensure that  
28 Thales makes the necessary developments specified in the statement of work and uses a \$19.5M

1 upfront payment from Emirates in that regard. Upon delivery of the proposed IFE system per  
2 agreed specifications on December 19, 2018 and after Emirates approves the proposed new  
3 innovation IFE system, the next (30) B777X aircraft will then be confirmed as firm orders. The  
4 commitment for the next (30) "option" B777X aircraft will actually be made and must be made  
5 before delivery of the first B777X with the new Thales IFE system to Boeing for installation.  
6 With the delivery sequence given by Boeing, the first aircraft delivery to Emirates is currently  
7 targeted for end of 2019 or early 2020.

8         57. The next (100) B777X aircraft will automatically be awarded to Thales as Boeing  
9 needs at least 37 months advance notice to change any IFE systems supplier. The work behind  
10 integration and certification of an IFE system is incredibly complex, extensive and expensive. It  
11 basically requires re-wiring an aircraft to implement the IFE system, which is a major undertaking.  
12 With this in mind, the contract for the first (50) B777X aircraft is essentially the contract for the  
13 whole fleet of (150) B777X aircraft awarded...unless of course, Thales bungles the project  
14 completely and Emirates is forced to pull the plug on Thales.

15         58. Accordingly, Wamar has fully performed its obligation to deliver an award to  
16 Thales for IFE system installation on (150) B777X Emirates aircraft and has earned its fees.

17         59. Among other things, The Dubai Centers will be used to install and repair IFE  
18 systems, provide logistics services, deliver spare parts and consumables to multiple airline  
19 companies, and develop and market advanced IFE systems and related technology. Although the  
20 Emirates 2012 MOU provides that Thales Avionics would subcontract the work share to Wamar  
21 after it was awarded The Project, Thales Avionics and Thales S.A. demanded that Wamar perform  
22 some of the work share prior to the award of The Project, even though the parties were still  
23 finalizing the SLA and Thales was still withholding KIP approval from Wamar. In this regard,  
24 Wamar was required by Thales to prepare, arrange and facilitate everything so that immediately  
25 upon receipt of the KIP award, it could open a dedicated repair and innovation center with turn-  
26 key facility services located next to Emirates' Engineering Headquarters in Dubai, while  
27 accommodating a full IFE system and connectivity lab as well as a media processing workshop.  
28 Further, Thales required Wamar to hire and develop an operations organization, obtain

1 certification from the appropriate Civil Aviation Authorities, secure all required governmental  
2 permits, and build out office space to host Thales Avionics' employees. Wamar was induced to,  
3 and in fact, spent millions of dollars to set up The Dubai Centers by virtue of Thales S.A.'s, Thales  
4 Avionics' continual fraudulent misrepresentations that Wamar would soon be approved as a KIP.  
5 At the same time that Thales Avionics and Thales S.A. were demanding expedited work from  
6 Wamar, behind the scenes Thales S.A. was actively manipulating the approval process of Wamar  
7 as a KIP. Thales S.A.'s machinations assured that the sham KIP re-qualification process was  
8 dragged out until after Wamar had won The Project and had secured the space for The Dubai  
9 Centers for Thales Avionics, thus inducing Wamar to continue performing and continue spending  
10 its own money.

11         60. As will be discussed fully below, Thales S.A. not only intentionally delayed  
12 Wamar's KIP approval process to assure The Project was awarded before the promised impending  
13 KIP approval, but later, after Wamar had secured several valuable contracts for Thales Avionics,  
14 Thales S.A. unreasonably, in bad faith and without notice, explanation, or good cause, executed its  
15 plan and refused to approve Wamar as a KIP, which became the excuse for Thales Avionics not to  
16 sign the SLA, or pay Wamar for the contracts Wamar had already delivered, or subcontract  
17 operation of The Dubai Centers to Wamar.

18         61. The SLA set out the compensation Wamar would earn for operating The Dubai  
19 Centers, and a process for selling the facility to Thales Avionics sooner. Thales showed Wamar  
20 senior management a model demonstrating the profits Wamar could expect to earn over 26 years,  
21 promising that either Wamar would operate The Dubai Centers for that time period or that any  
22 possible and actually intended earlier purchase of the facility by Thales from Wamar would  
23 provide equivalent value.

24         62. Wamar and Thales Avionics agreed that Wamar was also to be paid a 6.4% royalty  
25 (hereinafter referred to as the "KIP Royalty") fee of the total value of contracts for installation of  
26 IFE systems on Emirates aircraft that Wamar delivered for Thales Avionics (and showed Wamar  
27 senior management the calculations of the royalty). However, for reasons described in the  
28 paragraphs below, Thales Avionics refused to put the KIP Royalty obligation into the SLA

1 directly, or into any written document for that matter. Nevertheless, Wamar has documentary  
2 proof of the 6.4% royalty.

3         63. Wamar's principal is also the sole owner of TABA, a company that consults and  
4 operates as a Business Advisor in the aviation industry. Several of Thales Group's Middle Eastern  
5 companies contract with TABA to have Wamar senior management operate as a Business Advisor  
6 through TABA, providing consulting services regarding obtaining airline contracts for Thales  
7 Avionics. Of particular interest, TABA has multiple consultancy agreements with Thales  
8 AMEWA, an operating company in the Thales Group. Under these agreements, Wamar senior  
9 management operates as a Business Advisor to Thales AMEWA and is to be compensated by (1)  
10 consulting fees that are outlined in the consultancy agreements, and (2) a KIP Royalty that Thales  
11 S.A. will not allow to be put into a written document. For example, in addition to any fees  
12 described in the consultancy agreements regarding Turkish Airlines, Qatar Airways and Kuwait  
13 Airways, TABA is entitled to a 5% KIP Royalty fee on the value of IFE systems contracts TABA  
14 procures for Thales AMEWA with those particular airlines.

15         64. Unknown to Wamar senior management until recently, but known to Thales and  
16 Budin at all times, hiring TABA as a business advisor and Wamar for its services is a violation of  
17 French and US laws. In fact, the violations of law are so serious that Thales' head of compliance  
18 resigned rather than be made a scapegoat for the violations.

19         65. Although Wamar and TABA are separate companies, and they perform different  
20 services for their respective clients, Thales Avionics, Thales and Budin did not want to show in  
21 writing that in connection with pursuing business from Emirates, a company owned by Wamar  
22 senior management (Wamar) would receive a 6.4% KIP Royalty fee from Thales Avionics, while  
23 another company owned by Wamar senior management (TABA) would receive a separate  
24 consultant fee from Thales AMEWA as a Business Advisor. Similarly, with respect to The  
25 Project, Thales Avionics and Thales S.A. wanted to conceal that Wamar was entitled to profit  
26 from operating The Dubai Centers and also entitled to 6.4% KIP Royalty fee of the value of IFE  
27 systems contracts it was awarded from Emirates.

28         66. The obligation for the KIP Royalty is part of the January 2013 LOI and SLA terms

1 and, although the KIP Royalty is not a term expressed in the SLA because Thales wanted to keep  
2 the arrangement below the radar of any governmental regulatory agencies, there is documentary  
3 evidence that the KIP Royalty is a mutual written agreement between Thales and Wamar. Relying  
4 on the executed January 2013 LOI agreement, terms in the SLA and the KIP Royalty obligation,  
5 Wamar engaged in significant activity at Thales' insistence and expended substantial resources  
6 working with Emirates, U.A.E. governmental agencies, and other third parties for the exclusive  
7 benefit of Thales and Thales Avionics. As a direct result of Wamar's efforts, including Wamar  
8 senior management's personal relationships with executives of Emirates, on September 21, 2016,  
9 Thales Avionics was awarded a \$975M contract for the installation of IFE systems on (150)  
10 B777X aircraft, in addition to fees related to IFE connectivity services and Big Data estimated at  
11 approximately \$70M, ordered by Thales for the Emirates projects, upon delivery as set forth  
12 above. Accordingly, the first condition of the January 2013 LOI was satisfied.

13 67. As will be discussed below in Paragraphs 72 to 74 of this Complaint, by August  
14 2017, Thales Avionics and Wamar had reached mutual written agreement when they finalized the  
15 language of the SLA. Accordingly, the second and final condition of the January 2013 LOI was  
16 also satisfied.

17 68. Wamar, Thales Avionics and Thales S.A. are all sophisticated parties. When  
18 Thales S.A. and Thales Avionics demanded that The Dubai Centers and the Wamar branch in  
19 Dubai be established by Wamar, the parties understood that Wamar was required to start the  
20 process immediately without waiting for final KIP re-qualification approval, which was supposed  
21 to be a merely ministerial process, and which both Thales entities had already assured Wamar  
22 would be approved. Accordingly, in reliance upon those false representations, Wamar  
23 immediately commenced performance of the work share that was to be subcontracted pursuant to  
24 the SLA after the award of The Project and upon execution of the SLA. Wamar kept Thales  
25 informed of its activities and Thales insisted upon Wamar completing certain tasks prior to the  
26 promised KIP award. Wamar established a branch office space and committed to a long-term lease  
27 for The Dubai Centers. As set out in the SLA and demanded by Thales, Wamar established and  
28 prepared a space for fully functional turn-key The Dubai Centers in the Dubai Airport Free Zone



1 for the benefit of Thales Avionics. By September 1, 2017, a lease agreement for The Dubai  
2 Centers was in place.

3 69. The SLA also provided that Thales Avionics would pay Wamar a non-recurring fee  
4 of \$5.75M as partial compensation for the costs incurred by Wamar, including the first year's rent  
5 for The Dubai Centers. Of that amount, \$1.1 would be due upon signature of the SLA and  
6 commencement of operations would institute payments of the additional \$4.65M. Instead, as  
7 discussed below, Thales S.A. manipulated and delayed the KIP re-qualification process until after  
8 Wamar had secured The Project, while all along continuing to assure Wamar that approval was on  
9 its way. Suddenly, and without any notice or cause, Thales S.A. consummated its plan and  
10 refused, in bad faith, to re-designate Wamar as a KIP, and as a result Thales Avionics used that as  
11 an excuse to refuse to sign the SLA and subcontract The Dubai Centers to Wamar. Thus, Thales  
12 Avionics misappropriated The Dubai Centers opportunity for itself. As a direct result, Wamar has  
13 incurred more than \$15M over seven years in out-of-pocket expenses.

14 70. On November 30, 2017, Thales Avionics sent a letter to Wamar executives  
15 confirming, once again, its intention to select Wamar to establish and operate The Dubai Centers.  
16 Thales Avionics also reiterated its intention to solely sub-contract Wamar to operate the facility to  
17 support Thales Avionics' performance under its current and/or future agreements with airline  
18 companies in the Middle East region, including Emirates.

19 71. The SLA was negotiated between Wamar and Thales Avionics, starting in mid-  
20 2016, with the final version completed in 2017. Thales S.A. personnel participated directly and  
21 extensively in the negotiations. Even while the SLA terms were being finalized, in reliance upon  
22 Thales S.A.'s representations that it intended to approve Wamar as a KIP and pay the KIP Royalty  
23 on the secured contracts, Wamar was expending considerable resources to set up The Dubai  
24 Centers in accordance with plans developed by Wamar and Thales.

25 72. In August 2017, the SLA final terms were agreed upon. Harald Zirngibl, Contract  
26 Manager for Wamar and Geraldine Gros, Contract Manager, for Thales Avionics met face to face  
27 in Laguna Beach, California to finalize the last trivial remaining items still being discussed in the  
28 SLA.

1           73. By November 2017, the SLA was ready for final signature. On December 5, 6, and  
2 7, 2017, Wamar senior management, together with Wamar and TABA staff from Germany,  
3 Jordan, the U.A.E and the U.S., met in Los Angeles with Jean-Christophe Rohard, Legal Manager  
4 for Thales AMEWA, and George Ermenidis from Thales' Dubai office who were ostensibly  
5 managing the KIP re-qualification process for Thales. Wamar was led to believe that the purpose  
6 of the meeting was to clarify the reason for Thales' constant requests for additional documents  
7 required to finalize the KIP re-qualification process. Although Mr. Ermenidis referenced ongoing  
8 review by Thales senior management in Dubai and in Paris, both he and Mr. Rohard encouraged  
9 Wamar to continue working, stating that they believed Wamar was approved as a KIP.

10           74. By December 2017, even though Thales S.A. kept changing and increasing its  
11 document demands, (a) Wamar had provided all documents required to be re-qualified as a KIP,  
12 (b) The Dubai Centers had been established, (c) the premises for the facility was secured for  
13 Thales, (d) Emirates had awarded Thales Avionics a \$975M plus contract for the installation of  
14 IFE systems on (150) B777X aircraft, plus additional technology services, and (e) Wamar had  
15 fully performed its obligations under the January 2013 LOI. Thales Avionics, however, refused to  
16 perform its part of the contract.

17           75. Although the SLA had not yet been executed, in November 2017, Emirates  
18 announced the purchase of a fleet of (40) Boeing 787 ("B787") aircraft. Immediately thereafter,  
19 Roger Daix, the Vice President of Thales S.A., asked Wamar to mobilize all of its resources to  
20 work on having Emirates select Thales Avionics to be the IFE system provider for those aircraft.  
21 In December 2017, Jean-Pierre Pourre, Project Manager for Thales, informed Wamar senior  
22 management that it had been arranged internally for Wamar to receive the agreed-upon KIP  
23 Royalty fee of 6.4% on the value of the contract, to be paid upon the award of (40) B787 aircraft.  
24 Furthermore, Roger Daix verbally informed Wamar senior management that Thales would arrange  
25 for TABA to receive compensation of \$3M for its consulting services upon the award of the (40)  
26 B787 aircraft, in addition to the 6.4% KIP Royalty for Wamar.

27           76. After working for a month without a contract, Wamar senior management inquired  
28 about the agreement and was told that it would be finalized by the end of December 2017 and

1 Wamar should continue pursuing the award of the forty (40) B787 aircraft. In reliance upon  
2 Thales' representations, Wamar continued to work. To Wamar senior management's surprise,  
3 however, on January 29, 2018, Roger Daix and Budin, informed Wamar that they had decided not  
4 to add the (40) B787 aircraft to Wamar's agreement. Nevertheless, Mr. Daix continued to assure  
5 Wamar senior management that Thales Avionics would honor the agreement and encouraged it to  
6 continue working. Further, he instructed Wamar senior management to hire staff ASAP to start  
7 the Dubai operation. Wamar senior management assured Thales that a few staff positions had been  
8 filled with high caliber individuals who would meet and far exceed Thales' expectations. Actually,  
9 Wamar has hired a Director of Media and Communication for five years (Dana Khalili), who met  
10 with Thales executives on several occasions and they have approved and were impressed with her  
11 appointment, as well as the hiring of the Head of Administration and Human Resources (Rola  
12 Megdadi).

13 77. Even as of the date this Complaint was filed, Thales continues to seek Wamar's  
14 help in procuring the contract for the (40) B787 aircraft and Wamar continues to work to procure  
15 the contract for Thales Avionics. The total expected value of the (40) B787 contract is \$200M. If  
16 the contract is awarded, Wamar's KIP Royalty of 6.4% will be approximately \$12.8M for this  
17 additional work, as well as \$3M in consulting service fees for TABA, and further fees to Wamar if  
18 Emirates orders additional technology services. Given the Thales Group's history of breaching its  
19 agreements and not paying Wamar what it has earned, Wamar respectfully requests that the Court  
20 grant declaratory relief and an order that if the contract is awarded to a Thales Group company,  
21 Thales Avionics must pay Wamar's KIP Royalty and TABA's consulting service fees.

22 78. Wamar had been qualified by Thales Avionics as a world-wide KIP since 2012, but  
23 the KIP qualification expires every 3 years and therefore every KIP needs to be re-qualified on a  
24 periodic basis. As a worldwide KIP for Thales, Wamar and its senior management had increasing  
25 demands made by various Thales Group companies, eventually dominating the time and resources  
26 of Wamar senior management and that of Wamar's staff. Thales Group companies used Wamar in  
27 several countries where Wamar senior management had personal relationships with the  
28 international Heads-of-State as a result of Wamar supplying IFE systems for their personal aircraft

1 and other related military, defense and aerospace projects. The exorbitant demands by Thales  
2 consumed almost all of the time of Wamar and its senior management to the detriment of Wamar's  
3 other business.

4 79. As the SLA required Wamar to be a KIP in order to operate The Dubai Centers and  
5 Wamar's KIP certification approval had naturally expired in 2015, Wamar needed to be re-  
6 qualified. This re-qualification process is typically an administrative-level process to update  
7 documents and paperwork on the company. As such, Thales Avionics requested several  
8 documents from Wamar to update its file and Wamar timely provided every document as  
9 requested. Even though Thales frequently demanded new documents, Wamar consistently and in  
10 good faith completed all requirements to fulfill and meet the KIP qualifications.

11 80. The KIP re-qualification process, however, was a sham. Thales S.A. continued to  
12 postpone Wamar's KIP re-qualification, constantly increasing the requirements and the need for  
13 more documentation. Each time Wamar supplied the documents requested by Thales S.A., more  
14 documents were requested.

15 81. During the second week of January 2018, Wamar senior management met with the  
16 CEO of Thales Middle East (Roger Daix) and was assured that the KIP process was approved, the  
17 SLA would be executed, and implementation of work at The Dubai Centers would begin by no  
18 later than February 28, 2018. Mr. Daix also requested Wamar senior management to accelerate  
19 the appointment of senior staff and be ready to move to Dubai to start the operation of both  
20 centers.

21 82. Near the end of January, 2018, Jean Pierre Pourre assured Harald Zirngibl of  
22 Wamar that the SLA would be signed, and the only reason it had not already been signed was  
23 because of facility audits Thales wanted to conduct in Wamar's offices. The audits were in fact  
24 conducted in the Simi Valley, CA and San Diego, CA offices.

25 83. However, after Thales S.A. refused to certify Wamar's KIP status, Thales Avionics  
26 used that as its excuse for refusing to execute the SLA. Instead, in January, Wamar senior  
27 management was summoned by Roger Daix for a private meeting in Paris. This request for a  
28 private meeting was unusual and unexpected because although Thales S.A. personnel had

1 participated in negotiating the SLA, Wamar senior management had been advised the SLA was  
2 already approved as agreed between Wamar and Thales Avionics.

3 84. On January 29, 2018, Roger Daix and Budin met with Wamar senior management  
4 informing them that Thales S.A. would never approve Wamar as a KIP for The Dubai Centers.  
5 They further informed Wamar senior management that as a result of an external audit, Thales  
6 Avionics would never execute the SLA and that although Thales agreed compensation was due to  
7 Wamar, they (Thales) needed to devise a way to pay.

8 85. Wamar was unaware that Thales had violated U.S. and French laws and was  
9 attempting to cover up those violations by refusing to sign the SLA (but only after extracting the  
10 full benefit of Wamar's efforts).

11 86. On information and belief, Budin is a principal architect of the schemes to (a) have  
12 Wamar represent foreign Thales entities in negotiations for contracts that would ultimately be  
13 signed by and benefit Thales Avionics, a California corporation, and (b) engage in a money-  
14 laundering spare parts distributorship ploy to conceal payment obligations to Wamar. The  
15 purpose of these schemes was to conceal Thales' violations of internal Thales policies and  
16 potential violations of U.S. and French laws.

17 87. Mr. Daix expressed a fatal concern that TABA was already a Business Advisor for  
18 Thales AMEWA regarding Emirates and that accordingly, Thales S.A. would never approve  
19 Wamar as a KIP. Even though Wamar and TABA performed separate contractual obligations,  
20 Wamar's principal was an owner of both entities and Thales S.A. did not want to make  
21 extensively large payments to a single person, or entities owned by the same person. Such an  
22 arrangement, they claimed, could subject Thales S.A. and Thales Avionics to uncomfortable  
23 scrutiny by various government oversight authorities. Accordingly, Thales S.A. would not allow  
24 Wamar or its principal to be a KIP, to enter into the already finalized SLA, or to be compensated  
25 for the valuable work Wamar had already performed for Thales Avionics.

26 88. In this way, by the end of January 2018, Thales had verbally ended its relationship  
27 with Wamar. But Thales still required Wamar's services, so Thales continued to engage with  
28 Wamar's senior management to secure even more contracts. Indeed, Thales continued to seek out

1 Wamar senior management's advice and influence, and continues to do so even up to the time of  
2 filing this Complaint. However, Thales executives demanded that Wamar senior management  
3 operate "under the radar" to avoid Thales' internal legal department's scrutiny and possible  
4 scrutiny by agencies of the U.S. and other governments. To avoid that unwanted scrutiny, Thales  
5 executives instructed Wamar senior management not to contact them using Wamar's (a U.S.  
6 company) e-mail address. To further obscure Thales' ongoing business relations Wamar and its  
7 senior management, Thales required Wamar's principal to use a special phone with unknown  
8 caller ID when he needs to give updates on the contracts Wamar is working on. The phone in  
9 question could not show any caller ID that could be traced back to Wamar's principal, as the  
10 Thales executives did not want their phone system capturing any evidence that they continued to  
11 use the services of Wamar.

12 89. Mr. Daix's contrived excuse for pulling out of its obligations to Wamar was that  
13 Panasonic had recently been charged by the U.S. Department of Justice with violations of the  
14 Foreign Corrupt Practices Act and by other governments for similar violations under their  
15 respective laws. Mr. Daix asserted that approving a Wamar KIP Royalty transaction would be  
16 risky in light of the Panasonic case because one person earning substantial amounts of money was  
17 apparently a red flag to governmental agencies on the lookout for corruption and bribery. If  
18 Thales is found in violation of such laws, it could be sanctioned, potentially costing it billions in  
19 fines and lost business.

20 90. But Thales knows that all the transactions with TABA, Wamar, and its senior  
21 management are legitimate on Wamar's and TABA's end, and that Wamar and TABA have fully  
22 performed. So this excuse is just a transparent ruse to bolster Thales' profits without being kicked  
23 out of the IFE systems market in the Middle East and hopefully avoiding governmental scrutiny.  
24 Thales acknowledges it owes substantial fees to Wamar, but Thales refuses to pay, leaving Wamar  
25 with no choice but to sue Thales for its fees in a court of law. Wamar senior management assured  
26 both Mr. Roger Daix, Head of Thales Middle East, and Mr. Bernard Roux, President of Thales  
27 UAE, that Wamar has worked in good faith, never violated and will never violate US law or any  
28 domestic laws of any jurisdiction and/or international law, abides by good business practices and



1 is in conformity with all US and international laws pertaining to anti-corruption acts. In addition,  
2 Wamar is TRACE certified, so there is nothing to be concerned with.

3 91. In fact, all of the business terms agreed to between Thales/Wamar and  
4 Thales/TABA, in the various contracts referred to herein, were performed by Wamar and TABA  
5 in full compliance with all laws. Accordingly, any "concerns" expressed by Thales are either pure  
6 fiction, or are related back to Thales' own malfeasance, and are being used in bad faith to avoid  
7 paying Wamar and TABA for their services, which have greatly benefitted Thales by securing  
8 contracts and business opportunities in excess of \$2B in contracts that Thales could not secure on  
9 its own.

10 92. Furthermore, even though Wamar had (a) fully satisfied its obligations under the  
11 Emirates 2012 MOU and the January 2013 LOI, (b) agreed to final terms on the SLA, and (c)  
12 secured valuable contracts for Thales Avionics worth in excess of \$2B, Thales S.A. interfered with  
13 Wamar's contract with Thales Avionics by refusing to qualify Wamar as a KIP. As a direct result  
14 of Thales S.A.'s interference, Thales Avionics refuses to execute the SLA with Wamar and refuses  
15 to pay Wamar the fees it has already earned. Additionally, had (1) Thales S.A. not wrongly  
16 refused to confirm Wamar's KIP status, and (2) Thales Avionics not used that as an excuse not to  
17 sign the SLA, operation of The Dubai Centers would have been subcontracted to Wamar  
18 generating over \$150M in profit to Wamar.

19 93. The initial term of the SLA was 10 years with a 2-year option, but Thales assured  
20 Wamar senior management that the true term of the SLA would be 26 years. It is the business  
21 practice in Dubai that you cannot secure a lease longer than 10 years, but Thales explained that it  
22 would renew that lease for up to a period of 26 years by showing Wamar senior management a  
23 financial projection with a 26-year term and represented that Thales would honor that  
24 commitment. Wamar and Thales Avionics contemplated that either Wamar would continue to  
25 operate The Dubai Centers for the entire term or Thales Avionics would purchase the facility after  
26 a period of 5-6 years, for a mutually agreed upon amount but not less than the amount of profit  
27 Wamar would have earned from the date of purchase through the end of the 26-year term, which  
28 was \$150M plus, and potentially much more as The Dubai Centers would service other airline

1 customers of Thales as well.

2 94. Under the January 2013 LOI and the terms as set out in the SLA, Thales Avionics  
3 will owe Wamar a KIP Royalty fee in the amount of approximately \$25.6M plus, aside from the  
4 subcontract work, for negotiating the (65) A380 IFE systems, upon award and delivery as set forth  
5 above. The total contract value in negotiations for the IFE systems alone, exclusive of additional  
6 technology services, is approximately \$400M. In addition, Wamar will be entitled to fees obtained  
7 by technology services ordered on this fleet of aircraft, resulting in a fee subject to proof.

8 95. Under the January 2013 LOI and the terms as set out in the SLA, Thales Avionics  
9 owes Wamar a KIP Royalty fee in the amount of approximately \$70M plus, aside from  
10 subcontract work, for the award of (150) B777X aircraft to install IFE systems and additional  
11 technology services ordered by Thales upon award and delivery as set forth above. The total  
12 contract value is approximately \$975M plus, plus the added fees for technology services ordered  
13 by Thales.

14 96. Finally, under the SLA, Thales Avionics was obligated to pay Wamar a non-  
15 recurring fee of \$5.75M upon the setup of specific events. Of that amount, \$1.1 would be due  
16 upon signature of the SLA and commencement of operations would institute payments of the  
17 additional \$4.65M

18 97. Consistent with the directives and interference of Thales S.A., Thales Avionics has  
19 continued to refuse to execute the finalized SLA.

20 98. Consistent with the directives and interference of Thales S.A., Thales Avionics has  
21 refused to pay any compensation to Wamar for work it has completed for the benefit of Thales  
22 Avionics under the Emirates 2012 MOU, the January 2013 LOI and the terms of the SLA,  
23 including the payment of the KIP Royalty.

24 99. Wamar senior management, senior executive staff of Wamar and regional  
25 managers across the globe have invested 7 years and millions of dollars in developing relations  
26 with large and well-known airline companies to build up a credible reputation for the Thales  
27 Group. Wamar senior management and many of Wamar's staff traveled to Dubai on a bi-weekly  
28 basis to advise Emirates officials to select Thales Group and contract over \$1B of IFE systems

1 business for Thales Group, with another \$1B to be awarded on additional aircraft contracts.  
 2 Further, in reliance upon representations by Thales Avionics and Thales S.A., Wamar senior  
 3 management has focused on procuring business for Thales Group rather than pursuing other  
 4 opportunities, resulting in lost income and lost opportunities elsewhere.

5 100. As a direct result of Wamar's efforts, Thales Avionics has finally procured valuable  
 6 contracts with Emirates worth over \$1B, with another \$1B to be awarded, plus over hundreds of  
 7 millions of dollars with other clients in the area, but now Thales refuses to pay Wamar the fees it  
 8 has earned.

9 **The Etihad Railroad Project**

10 101. In 2011, Thales SAL approached Wamar to assist Thales SAL on acquiring a  
 11 lucrative contract for the Etihad Railroad project. The railway network was intended to link freight  
 12 facilities and passenger stations and would form a vital link to the GCC railway network.

13 102. In February 2014, Thales SAL and Wamar entered into a binding Memorandum of  
 14 Understanding (hereinafter referred to as "Etihad Rail MOU") regarding Etihad Rail Company's  
 15 (hereinafter referred to as "Etihad") intention to select a company for the design, build-out and  
 16 support systems for the Etihad Rail Project.

17 103. The Etihad Rail MOU states that if Thales Transportation System is awarded the  
 18 Etihad Rail Project contract, Thales SAL will act as prime contractor and Wamar will act as  
 19 subcontractor for their respective work described in the Etihad Rail MOU. Wamar agreed to form  
 20 a working group with Thales SAL to provide a best and final offer before April 1, 2014.

21 104. The Etihad Rail MOU sets forth the scope of work (and source of income) of the  
 22 subcontractor, Wamar, once the Etihad Rail Project was won:

- 23 a. Open four temporary facilities;
- 24 b. Supply 79 rail vehicles;
- 25 c. Open GSM-R towers including supply, transportation, and installation;
- 26 d. Open three telecom and signaling shelters including supply, transportation and
- 27 installation; and
- 28 e. Provide security for the temporary facilities and the signaling shelters.

1           105. Subject to these provisions outlined in the Etihad Rail MOU, Thales SAL induced  
2 Wamar to perform under the Etihad Rail MOU and as a direct result thereof, Wamar spent  
3 approximately \$4M performing the specified requirements at Thales' request, including opening  
4 an office space in the Meydan Hotel and Resort in Dubai and hiring experts to assist in the  
5 technological aspects of the rail project, which was estimated at a total contract value of \$434M  
6 for Thales SAL.

7           106. The Etihad Rail Project was divided into three stages. For the first stage, Thales  
8 SAL made an offer on its own in 2012 but, not surprisingly, unsuccessful in obtaining the contract  
9 and therefore Stage 1 is not a subject of this Complaint. The second stage was planned to connect  
10 Qatar, Kuwait, and Saudi Arabia on one side and Oman on the other. Thales SAL planned to bid  
11 on the contract to provide a rail signaling and integration system for the second stage. The third  
12 stage would connect Dubai and Northern Emirates. Thales SAL wrongly terminated Wamar  
13 services prior to award so the third stage is not a subject of this complaint.

14           107. Not long after Thales failed in getting the Stage 1 project, Thales SAL and Wamar  
15 entered into a Consultancy Services Agreement dated June 22, 2014 (hereinafter referred to as the  
16 "Etihad Rail agreement") regarding Phase 2 of the rail project. Under this agreement, Thales SAL  
17 contracted Wamar to promote Thales SAL as prime contractor for the Etihad Rail Project. Indeed,  
18 due to Wamar's efforts, Thales was placed to be the number one shortlisted company to be  
19 awarded the contract for this project. Upon award of the \$434M contract to Thales SAL, Wamar  
20 was to be entitled to approximately \$4.65M as its consultant fee. Thales also owed Wamar its KIP  
21 Royalty of 6%, which would be about \$26M on the total value of the contract which was  
22 approximately \$434M.

23           108. At Thales' urging, Wamar expended substantial time and considerable amounts of  
24 its own money to fulfill its responsibilities set out in the Etihad Rail agreement. After months  
25 preparing and presenting several iterations of rail proposals for Thales SAL, a revised and final bid  
26 proposal was sent to Thales SAL on September 8, 2014. The proposal was detailed into seven  
27 packages, which included a supply of vehicles, shelters, communication towers and life support  
28 for all stations along the length of the rail project. Wamar was induced to perform these

1 responsibilities by Thales SAL in order to receive its KIP Royalty.

2 109. Due to Wamar's extensive efforts, Thales SAL was announced as the number one  
3 bidder for the Etihad Rail Project. Despite this, on June 30, 2015 (six months prior to the  
4 expiration of the Etihad Rail agreement), for no reason, Thales SAL terminated Wamar's contract  
5 to work on the rail project.

6 110. Rather than have Thales SAL pay Wamar what Wamar had earned, Thales S.A.  
7 took advantage of the fact that Wamar and TABA had short-term agreements with other Thales  
8 Group entities and threatened Wamar senior management that if Wamar did not walk away from  
9 the Etihad Rail Agreement, then none of Wamar's or TABA's other agreements with Thales  
10 Group entities would be renewed and Wamar and TABA would lose those deals. In particular,  
11 Thales S.A. threatened to terminate Wamar from the Emirates Project if it did not forego all  
12 payments due under the Etihad Rail agreement if and when awarded.

13 111. Thales SAL handed Wamar senior management a termination notice at Thales'  
14 offices on June 30, 2015 on the Etihad Rail agreement effective immediately. Notice was served  
15 by Mr. Marc Duflot, President of Thales Middle East at the time. The letter noted that the  
16 termination was "for convenience."

17 112. Wamar could not afford to lose its other contracts and in particular, the Emirates  
18 Project. Based on the belief that Thales SAL would cause Wamar severe financial difficulty if  
19 Wamar sought to be paid for its work it had performed on the Etihad Rail agreement and on the  
20 representation that other contracts would be honored if Wamar walked away from Etihad, Wamar  
21 had no choice but to acknowledge and submit to the termination.

22 113. Wamar fully performed its obligations under the Etihad Rail agreement and was  
23 then wrongfully terminated on June 30, 2015. As a direct result, Thales SAL owes Wamar:

- 24 a. \$4M USD out of pocket costs;  
25 b. \$4.65M consultancy fee; and  
26 c. \$26M KIP Royalty.

27 Of which, *none* have been paid to Wamar.

28

1 **TABA'S Airline Consultancy Agreements**

2 **A. Qatar Airways A320 Consultancy Services Agreement**

3 114. In 2014, Qatar Airways was soliciting proposals to provide IFE systems for (50)  
4 A320 aircraft, an opportunity Thales SAL wanted to win. Recognizing Wamar's value and  
5 expertise, Thales SAL asked Wamar senior management to help it obtain the Qatar Airways  
6 business. Wamar originally agreed that it would be contracted to consult with executives from  
7 Qatar Airways to obtain the IFE systems contract for the (50) A320 aircraft. Upon award, Wamar  
8 was owed a KIP Royalty of 5% of the total contract. However in an effort to avoid scrutiny by the  
9 United States and other regulatory agencies, Thales advised Wamar senior management to consult  
10 through TABA (a Jordanian Company) and enter into contractual obligations with Thales SAL (a  
11 Lebanese company). Although Thales Avionics, not Thales SAL, would enter into the agreements  
12 with Qatar Airways, Thales S.A. required TABA to sign the Consultancy Services Agreements  
13 with Thales SAL in an effort to evade US scrutiny and to be able to deny that Thales Avionics had  
14 ever made that commitment to TABA.

15 115. TABA was successful in obtaining the notice of award for Thales Avionics, which  
16 in fact was signed by Thales Avionics.

17 116. After Thales delivered approximately (7-10) ship sets of IFE system for the A320  
18 aircraft, Qatar refused to accept all (50) A320 aircraft due to engine issues. However, these aircraft  
19 with Thales IFE system were delivered to customers such as Lufthansa and others. Wamar's  
20 contract fees for the Qatar selection of (50) A320 aircraft was agreed as \$3.8M; therefore, the total  
21 KIP Royalty fees on the actual delivered aircraft are approximately \$0.8M. Although, Wamar fully  
22 performed under the agreement, neither Thales SAL nor Thales Avionics have paid TABA and/or  
23 Wamar.

24 **B. Qatar Airways A350 Consultancy Services Agreement**

25 117. Thales Avionics had independently managed to obtain a contract with Qatar  
26 Airways for (80) A350 aircraft but Thales was not sophisticated enough to properly perform to  
27 Qatar Airways' expectations on such a large contract. Qatar Airways quickly became dissatisfied  
28 with Thales' performance and cancelled the contract after delivery of (17) A350 aircraft.



1 Desperate to salvage the lucrative Qatar Airways A350 business, Thales SAL contacted Wamar  
2 senior management and asked Wamar to help Thales Avionics in reinstating the contract with  
3 Qatar Airways. Wamar senior management, operating through Wamar and TABA, agreed to  
4 assist Thales yet again under the condition that TABA and Thales enter into a consultancy  
5 agreement.

6 118. Wamar senior management agreed to assist Thales Avionics on the Qatar A350  
7 project, which was valued at a total value of approximately \$297M. As compensation for  
8 consulting services, a total fee of \$16M was earned, of which \$10M was to be paid outright to  
9 TABA while the remaining \$6M was to be paid to Wamar pursuant to a KIP Royalty. The \$16M  
10 in compensation was divided into separate payments for each of four (4) contracts expected to be  
11 signed between Thales and Qatar Airways (wherein described as projects 5, 6, 7 & 8).

12 119. Wamar senior management, operating through Wamar and TABA immediately  
13 engaged Qatar Airways as a Business Advisor for Thales. Wamar senior management succeeded  
14 in salvaging the deal for (80) A350 aircraft that Thales Avionics had lost. In the meantime,  
15 without notice, Thales Avionics changed its proposal structure with Qatar Airways. Instead of  
16 presenting four (4) separate proposals as it had discussed with Wamar senior management, it  
17 aggregated the aircraft and presented one (1) proposal encompassing all of projects 5, 6, 7 & 8.

18 120. Even though Wamar senior management reinstated the contract for (80) A350  
19 aircraft, Thales' response to TABA's exceptional performance deceptively manipulated the  
20 proposal system so it could use a technical and undisclosed loophole to avoid its obligations,  
21 instead of paying what it promised TABA. Wamar senior management objected that Thales  
22 would submit one contract instead of four (4), but Mr. Marc Duflot President of Thales Middle  
23 East at the time, assured Wamar senior management that even though Thales would submit one  
24 contract, TABA would receive the full amount of \$10M as a consulting fee plus \$6M plus as KIP  
25 Royalty for Wamar.

26 121. On March 16, 2017, Roger Daix informed Wamar senior management that Thales  
27 SAL would only pay €4M (\$4.6M) of the \$10M fee, plus a promise to pay \$6M pursuant to a KIP  
28 Royalty to Wamar, an arrangement similar to the Kuwait distributorship arrangement discussed

1 below. The distributorship arrangement was a money-laundering scheme employed by Thales in  
2 an attempt to avoid governmental scrutiny of its potential violations of law.

3 122. Eventually, Thales SAL even backed out of the KIP Royalty arrangement and  
4 required TABA to sign a settlement agreement accepting only €4M (\$4.6M). Once again, Thales  
5 executives took advantage of the fact that Wamar and TABA had short-term agreements with  
6 other Thales Group entities and threatened Wamar senior management that if TABA did not  
7 immediately sign the settlement agreement, then none of TABA's or Wamar's other agreements  
8 with Thales Group entities would be renewed and therefore those deals would be lost.

9 123. Roger Daix justified reducing Wamar's and TABA's fee by pointing out that Thales  
10 SAL had manipulated the contracting process with Qatar Airways to sign a single contract rather  
11 than four (4) contracts for the four (4) separate Qatar Airways projects. By consolidating the bids,  
12 even though the total contract value was still the same \$297M, Thales SAL contends it had the  
13 right to reduce Wamar's and TABA's fees.

14 124. On July 19, 2017, Thales' executives Roger Daix, Pierre-Marie Durand (VP, COO,  
15 Thales AMEWA) and Bernard Roux, President of Thales AMEWA, traveled to the US and met  
16 with Wamar senior management at Wamar's facility in San Diego, CA. The Thales executives put  
17 before Wamar's senior management three (3) consultancy services agreements between Thales  
18 AMEWA and TABA covering new campaigns for Kuwait Airways, Qatar Airways and Emirates.  
19 Those three agreements were a trap. They also handed Wamar senior management a settlement  
20 agreement for the just-concluded Qatar Airways deal which provided for a settlement payment of  
21 €4M (\$4.6M), of which €2M (\$2.3M) was to be paid immediately, while the other €2M (\$2.3M)  
22 would not be paid until delivery of the aircraft. The consultancy agreements were contingent upon  
23 Wamar senior management signing the settlement agreement. Thales paid the first €2M (\$2.3M),  
24 but even though aircraft have been delivered, Thales has refused to pay any part of the remaining  
25 €2M (\$2.3M).

26 125. Wamar senior management was handed fully drafted contracts on a "take it or leave  
27 it" basis. The message from Thales was clear: sign on the dotted line right now or TABA's  
28 current contracts with Thales regarding Kuwait, Qatar and Emirates would not be renewed. The

Thales executives knew that renewal of TABA's agreements for its various projects with Thales was crucial to TABA and Wamar. Thales having knowledge that negotiating and finalizing aviation contracts is a lengthy process, they intentionally offered TABA agreements with only short term duration. Thales then used that timing disconnect to extort TABA, which risked losing its fee if a contract was not signed during the term of the agreement, even if TABA had negotiated a final agreement subject only to signatures. With no other option, Wamar senior management signed the settlement agreement and the three consultancy services agreements in hopes of saving its business opportunities with Thales Group and recouping the huge losses TABA/Wamar had incurred during the previous six (6) years.

### ***C. Emirates Consultancy Services Agreement***

126. On July 19, 2017, after Wamar signed the Qatar settlement agreement, Thales AMEWA and TABA entered into a Consultancy Services Agreement regarding several Emirates projects (the "Emirates Agreement"). The Emirates Agreement is between TABA (Jordanian company) and Thales AMEWA (Lebanese company). However, it provides that the contracts with Emirates will be entered into by Thales Avionics. Even though Thales Avionics, a U.S. company will be the beneficiary of the contracts, Thales S.A. required the consultancy services agreements to be entered into between non-U.S. companies out of a desire to avoid scrutiny of its consultancy services agreements by U.S. and other governmental agencies, and be able to deny that it had ever made a KIP Royalty commitment to Wamar.

127. The Emirates Agreement is between Thales AMEWA and TABA for TABA to promote Thales Avionics to Emirates as the provider for several Emirates requests for proposals in 2017 and 2018. The identified projects are:

- a. Emirates Connectivity B777X (20 A/C)
- b. Emirates Connectivity B777X (30 A/C)
- c. Emirates IFE B777X batch 2 (100 A/C)
- d. Emirates Connectivity B777X batch 2 (100 A/C)
- e. Emirates Airlines IFE A380 (25 A/C)
- f. Emirates Connectivity IFE A380 (25 A/C)

1 g. Big Data

2 h. Etihad Airways IFE B777X (25 A/C)

3 i. Etihad Airways Connectivity B777X (25 A/C)

4 128. By the time the Emirates Agreement was signed, however, Wamar senior  
5 management had, at the request of Roger Daix and Thales Avionics, already been working to  
6 secure those projects for Thales Avionics, and in fact, had tentatively secured projects (a) and (b)  
7 with a total contract value of \$325M, subject to final signatures.

8 129. The Emirates Agreement sets out a specific Professional Fee that is earned by  
9 TABA for each project upon TABA successfully securing a contract for Thales Avionics.

10 130. On September 21, 2016, contracts for projects (a) and (b) for installation of IFE  
11 systems on (50) B777X aircraft were provisionally awarded to Thales Avionics with the Emirates  
12 Agreement requiring Thales AMEWA to pay TABA a total consulting fee of approximately \$3M  
13 for that contract. TABA has been paid a single progress payment of \$0.21M.

14 131. What the Emirates Agreement does not show however, is that Wamar was entitled --  
15 to a KIP Royalty fee equal to 6.4% of the contract value of those projects which is valued at  
16 \$325M, or approximately \$20.8M, with additional options of connectivity and technology services  
17 ordered by Emirates in an amount of approximately \$80M plus, on which a KIP Royalty fee is  
18 also owed to Wamar. Once again, in an effort to avoid governmental scrutiny, and be able to deny  
19 that it had ever made that commitment to Wamar, Thales S.A. would not put that fee in writing,  
20 but had disclosed the fee calculation that would be paid when earned. Although Thales has  
21 attempted to make its contractual relations convoluted and opaque to avoid scrutiny and to be able  
22 to deny liability, Wamar has documentary evidence of the KIP Royalty obligation and its  
23 calculation on the agreements.

24 132. Wamar has also been assured that as soon as December 2019 but not later than  
25 2020, assuming Thales performs competently on the first batch of (20) aircraft, Emirates will  
26 deliver project (c) to Thales Avionics. The total contract value for installation of IFE systems on  
27 an additional (100) B777X aircraft, exclusive of additional technology services, is approximately  
28 \$650M. In addition Wamar will be entitled to fees obtained by technology services ordered by

1 Emirates on this fleet of aircraft, generating fees in an amount of approximately \$70M, subject to  
 2 proof. Upon delivery of the written contracts, Wamar will be entitled to a KIP Royalty equal to  
 3 6.4% of the contract value of that project, or approximately \$41.6M, in addition to the technology  
 4 services fees.

5 133. Additionally, Wamar has been working on delivering projects (e) and (f) to Thales  
 6 Avionics. The total contract value for installation of IFE systems on (65) A380 aircraft is  
 7 approximately \$400M. If awarded, Wamar is entitled to a 6.4% KIP Royalty fee of the total  
 8 contract value, or approximately \$25.6M and any fees generating from technology services  
 9 ordered by Emirates, in addition to TABA's \$3M consultant fee.

10 134. Although, Wamar has fully performed under the Emirates Agreement, Thales SAL  
 11 has not paid Wamar the KIP Royalty, and Mr. Daix has informed Wamar senior management that  
 12 it never will because he believes Thales has successfully hidden the evidence of their agreements  
 13 and the calculation of what is owed. Despite this mistaken belief, Wamar has documentary  
 14 evidence of Thales' obligation to pay the 6.4% KIP Royalty calculation.

15 ***D. Kuwait Airways Consultancy Services Agreement***

16 135. Recognizing Wamar senior management's successful history and extensive  
 17 contacts in the Middle East, Thales approached Wamar in 2013 to assist with another airline  
 18 company it could not achieve business with, Kuwait Airways. On February 5, 2014, Wamar and  
 19 Thales Avionics entered into an agreement (hereinafter referred to as the "Kuwait 2014 LOI")  
 20 pursuant to which Thales Avionics agreed to select Wamar as a subcontractor on the "Kuwait  
 21 Project," subject to two conditions: (1) that Thales is selected as sole supplier of IFE system  
 22 products and support services for Kuwait Airways' fleet of (7) Airbus 320 ("A320") and (9)  
 23 Airbus 330 ("A330") aircraft; and (2) Thales Avionics and Wamar reach a mutual written  
 24 agreement on the terms and conditions of the subcontract. Wamar's efforts secured a contract for  
 25 the installation of IFE systems of (5) A330 with (4) "optional" aircraft. As compensation, Thales  
 26 Avionics agreed to pay Wamar a KIP Royalty fee of 5% of the total contract value. The contract  
 27 value to Thales Avionics is approximately \$18.5M, thus Wamar's fee is \$0.925M.

28 136. On March 28, 2014, in line with the global January 2013 LOI, Wamar and Thales

1 Avionics entered into a Distributorship Agreement wherein Thales Avionics appointed Wamar, on  
2 a case-by-case basis, as the sole distributor of Thales Avionics' products and services in support of  
3 the IFE systems installed on customers' aircraft in Kuwait. As contracts were awarded to Thales  
4 Avionics by airlines, Wamar would be appointed as the sole distributor for Thales Avionics for  
5 such customer via an addendum to the Distributorship Agreement setting forth the terms and  
6 conditions of Wamar's distributorship for that customer.

7 137. Thales Avionics was aware that other companies, including companies in the  
8 aviation business such as Panasonic, Rolls Royce, and Airbus, were the subject of investigations  
9 by U.S., British and other governments regarding violations of various anti-bribery and anti-  
10 corruption laws. Thales Avionics and Thales S.A. were concerned that paying a high fee to  
11 Wamar might attract the interest of governmental investigators. Accordingly, instead of directly  
12 paying Wamar the \$0.925M fee it had earned securing the Kuwait Airways contracts, Thales  
13 Avionics preferred to disguise the source of its payment obligation (Wamar's activities as a  
14 Business Advisor), and required Wamar to enter into an Addendum to the Distributorship  
15 Agreement. Pursuant to the Addendum, Wamar purchased \$1.85M of products from Thales  
16 Avionics at a fifty percent (50%) discount (\$0.925M) for sale to Kuwait Airways at full price,  
17 with the idea that Wamar would earn its \$0.925M fee from the margin and Thales Avionics would  
18 conceal that it was paying a Business Advisor. Thus, Thales Avionics used a money-laundering  
19 scheme to pay Wamar and hide its payments from both its senior management in Paris and from  
20 governmental investigators. On repeated occasions, Wamar, its principal and associated  
21 companies have advised Thales that there was no need to divert payments through channels other  
22 than the intended as Wamar, being in the spare parts business for a long time, has performed all of  
23 its business transparently and flawlessly. Nevertheless, Thales decided to carry the payment out its  
24 own way to avoid scrutiny of US and other international authorities.

25 138. Thales Avionics had the money. Thales Avionics also had all the power. Wamar  
26 had fully performed its obligations under the Kuwait 2014 LOI and was owed \$0.925M. Thales  
27 Avionics refused to simply pay what was owed. Instead, it forced Wamar into a convoluted  
28 money-laundering distributorship scheme to mask Thales Avionic's own potential violations of



1 law It was not Wamar's idea to have to re-earn its fee by selling parts for Thales Avionics. Thales  
2 Avionics ruthlessly took advantage of its power to impose the parts sales scheme on Wamar, and  
3 even then, Wamar did not get paid.

4 139. Kuwait Airways ordered only half of the products Wamar had to purchase, leaving  
5 Wamar with a shortfall of approximately \$0.4M. That money was earned by Wamar as a result of  
6 its actions as a Business Advisor. While Thales Avionics may prefer to hide the reason it owes  
7 Wamar the money, it cannot escape its liability by requiring Wamar to purchase more Thales  
8 Avionics products than the customer needed and furthermore, telling Wamar "tough luck" when  
9 the customer doesn't order the parts Thales Avionics required Wamar to purchase.

10 140. Following TABA's success with Kuwait Airways, Thales asked Wamar senior  
11 management to secure another Kuwait project of (10) B777X aircraft. Marc Duflot, President of  
12 Thales Middle East, promised Wamar senior management that a written agreement was being  
13 prepared by its legal department. That promise was false. With Thales SAL's urging and consent,  
14 Wamar senior management engaged in significant, protracted and difficult negotiations with  
15 Kuwait Airways and as a result, it was near-certain that Thales Avionics would be awarded the  
16 contract.

17 141. By then, Wamar senior management finally realized that Thales SAL, in  
18 conjunction with Thales S.A., was not acting in good faith and grew concerned that Thales SAL  
19 intended to take advantage of Wamar's efforts and then refused to present it with a written  
20 agreement memorializing the agreed-upon compensation for Wamar's work. Accordingly, prior to  
21 the award announcement, Wamar senior management asked Mr. Duflot to provide Wamar with  
22 the agreement the parties had agreed upon and Mr. Duflot had promised.

23 142. Mr. Duflot shockingly responded that he and Thales SAL had no intention of  
24 giving Wamar an agreement for this deal because this was now an "easy win" for Thales SAL  
25 since Wamar had already won the A330 contract previously for Thales. Wamar put Thales SAL  
26 into position to win this contract but Thales SAL refused to provide a written contract for the  
27 parties. Thales SAL believed it could receive the (10) B777X contract and avoid paying Wamar by  
28 refusing to give Wamar a written contract, and accordingly, instructed Wamar senior management

1 to stop work, preventing further performance by Wamar. Without Wamar's continued assistance  
2 and promotion, again not surprisingly, Thales SAL lost this deal to its competitor. If not for  
3 Thales SAL's and Thales S.A.'s greed and bad faith, Thales Avionics would have been awarded  
4 the contract. Thales Avionics cannot use this embarrassing failure caused by its own bad faith act  
5 as an excuse not to pay Wamar the fees it earned. Accordingly, Wamar, having fully performed its  
6 obligations to Thales SAL, is entitled to the full value of its work.

7 143. After Thales SAL failed on the Second Kuwait Campaign, Thales executives again  
8 asked Wamar senior management for more help. In July 2017, a Third Kuwait Campaign was  
9 presented to Wamar senior management via TABA. Kuwait announced the purchase of (15)  
10 A320/A321 aircraft and Thales wanted to win this deal. This time, another Thales Group  
11 company, Thales AMEWA, contracted with TABA to secure this campaign. Wamar's team  
12 worked very hard on this project and incurred related costs in excess of \$1M. Thales' competitors  
13 fought hard and put up a massive campaign with Kuwait in order to win this contract. Once again,  
14 because of Wamar senior management's work and relationships built over decades, Thales  
15 AMEWA was in the lead to win this contract.

16 144. Thales AMEWA was well aware of Wamar senior management's success and  
17 equally aware that it was positioned to win the contract. Consistent with the Thales Group's  
18 pattern of evading its obligations to pay Wamar and TABA the fees they earned, near the end of  
19 the Third Kuwait Campaign, Thales executives instructed Wamar senior management to stop  
20 working on the campaign because they had found a "*real influential senior businessman in*  
21 *Kuwait*" who would absolutely deliver the deal to Thales AMEWA. Wamar senior management  
22 protested against the last minute diversion but, as instructed, suspended Wamar's activities on the  
23 Third Kuwait Campaign. Once again, Thales could not secure the contract without Wamar's  
24 assistance, and a competitor won the award instead.

25 145. As before, but for Thales AMEWA's bad faith last-minute instruction to Wamar  
26 senior management to suspend work, Thales AMEWA would have won the contract. And as  
27 before, in contrast to Thales AMEWA, TABA acted in good faith and fully executed its  
28 obligations in connection with the Third Kuwait Campaign. Accordingly, TABA again earned its

1 \$0.5M fee. In addition, with Thales AMEWA's urging and consent, TABA incurred  
2 approximately \$1M in out-of-pocket costs pursuing the Third Kuwait Campaign and is entitled to  
3 reimbursement of those costs, subject to proof.

4 ***E. Turkish Airlines Consultancy Services Agreement***

5 146. Consistent with its track record of failure in the Middle East, Thales was also  
6 unsuccessful in obtaining contracts with Turkish Airlines because Turkish Airlines has purchased  
7 its IFE systems from Panasonic and other suppliers for over 40 years. Thales wanted  
8 Wamar/TABA to assist it in its efforts to obtain contracts from Turkish Airlines as well. Thales  
9 contacted Wamar to lead the negotiations with Turkish Airlines and agreed to compensate Wamar  
10 a 5% fee on the total value of the contract, if awarded. Thales was so pessimistic that when  
11 Wamar executives asked Thales executives what chance they thought they had of getting a deal  
12 with Turkish Airlines; the response from Thales was "zero."

13 147. The first Turkish Airlines campaign began in 2014. On June 24, 2014, TABA and  
14 Thint WECO entered in a Consultancy Services Agreement wherein TABA contracted with Thint  
15 WECO as a Business Advisor to negotiate with Turkish Airlines to award a commercial contract  
16 to Thint WECO to install IFE systems on its fleet of aircraft (hereinafter referred to as "The First  
17 Turkish Campaign").

18 148. In this contract, a fee structure set forth in Appendix 2 provides for a consultancy  
19 fee of €150,000 (\$0.17M) for consulting services, as well as a bonus fee for each project.

20 149. Against all odds, Wamar successfully obtained an award for forty-five (45) A321  
21 and B737 aircraft at a price of approximately \$61M, thus securing for Thales its first-ever contract  
22 with Turkish Airlines. Wamar's compensation is approximately \$2.8M, subject to proof.

23 150. Again, instead of paying Wamar its earned fee of the total contract, Thint WECO  
24 chose to conceal the payment to Wamar as a business advisor, and instead required Wamar to  
25 recoup its fee using Thales Group's spare parts sales scheme. Thint WECO instructed Wamar to  
26 invoice Turkish Airlines for a total of \$6M for spare parts when and as delivered. Wamar's  
27 accumulated margin for the total invoicing would equate to the \$2.8M fee it had earned. However,  
28 Turkish Airlines abruptly stopped ordering these parts leaving Wamar short on fees owed. On

1 information and belief, Thales has been selling parts directly to Turkish Airlines, circumventing  
2 and violating its obligations to Wamar. On July 24, 2018, a courtesy copy of this complaint was  
3 sent to Thales, with an invitation to engage in discussions with Wamar. Shortly thereafter,  
4 unexpectedly, Turkish airlines requested and placed an order with Wamar for additional spare  
5 parts of approximately \$0.7M. When Wamar passed the order to Thales in Irvine, CA, the answer  
6 was that the discount is no longer applicable and that prices have increased more than 20%, thus  
7 cheating Wamar once again out of the profit margin it was to receive by winning the contract.

8 151. Thales also agreed with Wamar that Wamar would earn a fee equal to 5% of the  
9 total deal, or approximately \$3M. One of conditions which was required by Turkish Airlines and  
10 actively encouraged and verbally agreed to by Thales was for Wamar to establish an off-set  
11 program by creating a company in Turkey to create jobs and add value to the local economy. That  
12 concept was supported by Thales, and Thales told Wamar to "do whatever it takes" to win Turkish  
13 Airlines as a client. TABA and Wamar fully performed all of their obligations under the First  
14 Turkish campaign and are entitled to its earned fees.

15 152. In addition to successfully securing the contract between Turkish Airlines and  
16 Thint WECO, Wamar was able to secure another contract between Thint WECO and Turkish  
17 Airlines in 2016.

18 153. On September 1, 2016, TABA and Thint WECO entered into a Consultancy  
19 Services Agreement to supply IFE systems to (167) aircraft for Turkish Airlines (hereinafter  
20 referred to as "the Second Turkish campaign"). In order to avoid governmental scrutiny, Thint  
21 WECO insisted that the contract be solely with TABA, rather than have any written agreement  
22 with Wamar. Nevertheless, upon Thint WECO's instructions, Wamar continued to set up the off-  
23 set program. Wamar opened up the off-set program facility in Merzin, Turkey and hired  
24 employees to satisfy this requirement to win the Turkish airlines business in general and this  
25 contract in particular. Even though Thales encouraged Wamar to open the facility at a cost of  
26 about \$2.5M to Wamar, Thales created problems and drove up the cost getting it established.

27 154. In or around September/October of 2016, Wamar was advised by Turkish Airlines  
28 executives that the Turkish contract would be awarded to Thint WECO. To finalize the deal,

1 Turkish Airlines asked Thint WECO to travel to Turkey and sign the contract with Turkish  
2 Airlines. Thint WECO, however, let weeks go by before responding to the request. During that  
3 time, the CEO of Turkish Airlines retired, and with a new CEO in place and no response from  
4 Thint WECO, Turkish Airlines instead awarded the contract to a competitor.

5 155. TABA and Wamar fully performed all of their obligations under the Second  
6 Turkish campaign as required by Thint WECO, and secured the contract for Thint WECO. But for  
7 Thint WECO's inexcusably negligent failure to sign the contract with Turkish Airlines when  
8 requested, this deal would have closed. Accordingly, TABA earned its fees under the Second  
9 Turkish campaign. In addition, Wamar is entitled to reimbursement for the costs of establishing  
10 the Mercin, Turkey facility, as well as the costs it will incur in closing this now unnecessary  
11 facility. The sum of the commercial contracts for the Turkish Airlines fleet was estimated to be  
12 \$235M for the installation of IFE systems. TABA is contractually entitled to approximately \$12M,  
13 subject to proof. The "offset program" facility Wamar set up in Mercin, Turkey which now needs  
14 to be closed down along with the termination of 18 Turkish employees (additional victims of Thint  
15 WECO's failure to perform). Wamar continues to pay rent and closing of the off-set program will  
16 not take place prior to the end of 2019. The costs incurred to set up the facility are approximately  
17 \$2.5M and the costs to shut down this facility are approximately \$0.7M-\$0.9M. Had Thint  
18 WECO simply signed the contract when instructed, the deal would have been closed and the offset  
19 facility would be operating. Wamar is entitled to reimbursement for the costs it incurred in  
20 establishing and closing the offset facility. In addition, Wamar was asked on different occasions  
21 to provide consulting services and market intelligence on different Turkish industries. For  
22 example, on July 11, 2016, Thales requested Wamar senior management to arrange a meeting with  
23 the Turkish top military and airline decision makers to be held on July 19th in Ankara and  
24 Istanbul. Wamar worked extremely hard with very short notice and arranged the meetings as  
25 requested. On July 13th, Thales executives abruptly informed Wamar to cancel the meetings as  
26 they had been advised not to travel to Turkey for security reasons. The Thales executives would  
27 not divulge the security issue that caused them to cancel the meetings.

1 ***Thales Implemented a Coordinated Plan to Exploit Wamar and TABA***

2 156. Thales has several operating companies that contract with Wamar, TABA and their  
 3 senior managements. These operating companies approach Wamar or TABA, desperately seeking  
 4 help in getting valuable new contracts, or to fix a problem they created. Wamar and/or TABA  
 5 proceeds to engage with the Thales operating company(s), and they agree on a compensation plan  
 6 that is pursuant to Wamar's or TABA's success. TABA and/or Wamar expend efforts, at their  
 7 own expense, for months and in many cases years, to get the contracts for Thales Avionics. Once  
 8 Thales has the contract in hand, or believe they are positioned so well they can't lose it, they  
 9 fabricate an excuse to terminate Wamar and/or TABA, without paying the agreed-upon  
 10 compensation. Using this scheme against Wamar and TABA, combined, Thales owes  
 11 Wamar/TABA and their principals over \$400M for fees that have been earned in delivering  
 12 multiple contracts to Thales.

13 157. Although the damages numbers are not included in any cause of action, the portion  
 14 in this Complaint regarding The Etihad Railroad Project is indicative of how Thales operates. It is  
 15 known that Thales operating companies have been unsuccessful in obtaining IFE business in  
 16 major areas in the Middle East region. In order to obtain these lucrative contracts, Thales entices  
 17 TABA and/or Wamar to engage with them. Thales tried to get Phase 1 of the rail project, but  
 18 failed. Accordingly, it engaged Wamar to get them the Phase 2 contract. Thales agreed to pay a  
 19 fee to Wamar upon award of the contract. Wamar successfully shortlisted Thales as a number one  
 20 lead bidder. Then, without any cause, Thales told Wamar to forego its fee, or Thales would  
 21 terminate both Wamar and TABA on other projects with Thales companies. Wamar had no choice  
 22 but to submit to the extortion, and walk away from over \$30M in fees it had earned. Wamar will  
 23 seek those fees in a separate action.

24 158. The Section of this Complaint on TABA's Airline Consultancy Agreements is also  
 25 consistent with Thales' exploitation plan against TABA and Wamar. This Section describes five  
 26 (5) different agreements, all of which have Thales operating companies benefiting from Wamar  
 27 and TABA's efforts, and then refusing to pay fees that Wamar and TABA had earned. Although  
 28 the damage numbers from this Section are not included in any Causes of Action in this complaint,



Thales' actions under the consultancy agreements demonstrate its venality. TABA will be seeking those fees in a separate action. Each Agreement is briefly summarized below:

**a. Qatar Airways A320 Consultancy Services Agreement**

159. TABA successfully secured (9) IFE systems ship sets for installation on aircraft, even though these aircraft were sold to other airlines, the fact that TABA succeeded in providing Thales IFE systems on these aircraft, it should be compensated pro-rata for these aircraft. Thales has never paid TABA and has not even attempted to provide a reason why not. TABA will be seeking those fees in a separate action.

**b. Qatar Airways A350 Consultancy Services Agreement**

160. Thales operating companies had a lucrative contract with Qatar Airways, but not long after the delivery of (17) aircraft, Qatar Airways cancelled the remaining (63) aircraft due to Thales' inept performance. Wamar and TABA was successfully able to reinstate the remaining (63) aircraft contract. Thales had agreed to pay TABA and Wamar \$16M, of which \$10M outright to TABA and \$6M to Wamar's KIP Royalty. Instead of paying the mutually agreed fees that it owed, Thales operating companies manipulated the contracts to avoid paying Wamar and TABA, then forced settlement agreement into place for only €4M (\$4.6M), under threat of terminating other TABA and Wamar contracts with Thales. TABA will be seeking those fees in a separate action.

**c. Emirates Consultancy Agreement**

161. Thales operating companies were unable to secure a contract with Emirates, and so they approached Wamar. Wamar, through four (4) campaigns on separate projects, has (1) successfully secured contracts for Thales valued at approximately \$975M for installation of IFE systems on (150) B777X aircraft, (2) has been assured that Emirates will award Thales a contract valued at approximately \$400M for installation of IFE systems on (65) A380 aircraft, and (3) continues to represent Thales in an effort to obtain a contract for (40) B787 aircraft. Thales operating companies agreed to pay Wamar \$70M plus for the B777X contracts, \$25.6M plus for the A380 aircraft, and \$12.8M plus for the B787 aircraft. To date, Thales owes Wamar, at the very least \$240.75M, but has paid a scant \$0.21M and denies its obligation to pay the 6.4% KIP

1 Royalty Wamar had earned. These fees are all subject to the Causes of Action in this Complaint.

2 ***d. Kuwait Airways Consultancy Services Agreement***

3 162. Thales sought out Wamar, its principal and associated companies for assistance  
 4 with getting contracts with Kuwait Airways. Wamar first successfully got a contract for five (5)  
 5 aircraft. Wamar's fee was to be \$0.925M. To avoid paying, Thales forced TABA to enter into a  
 6 distributorship agreement scheme pursuant to which Wamar would buy parts from Thales at a  
 7 50% discount and sell them at full price to the customer until its fee was paid. But Kuwait  
 8 Airways has stopped buying parts from Wamar and thus, only half of the fee has been paid.  
 9 Thales twice more sought out Wamar and TABA for help with Kuwait Airways, first to pursue  
 10 (10) B777X aircraft, and then to pursue A320 aircrafts. With the (10) B777X, once Thales  
 11 believed Wamar and TABA had it in position to win the contract, they told Wamar/TABA to stop  
 12 working (that way Thales planned to get the contract on their own, but to avoid paying).  
 13 Wamar/TABA stopped as requested, and Thales blew the deal, losing to its competitor. Not  
 14 learning from its previous (10) B777X mistake, Thales repeated it with the A320/A350 aircraft  
 15 deal. Once again, TABA had Thales positioned to win the contract, in turn, Thales told  
 16 Wamar/TABA senior management to stop working, because they located another local business  
 17 advisor, who could deliver the winning contract, and that the new advisor was to share the fees  
 18 with TABA. Again, Thales blew the deal. In both cases, Wamar and TABA had put Thales in a  
 19 position to win the contracts, and in both cases, Thales tried to cheat Wamar/TABA out of its fees.  
 20 Thales lost the contracts due to greed and incompetence; however, Wamar/TABA had already  
 21 incurred marketing expenses that exceeded \$0.5M. Thales owes Wamar/TABA its KIP Royalty in  
 22 addition to the amounts already expended over the campaigns. TABA will be seeking those fees in  
 23 a separate action.

24 ***e. Turkish Airlines Consultancy Services Agreement***

25 163. Thales could not win a contract with Turkish Airlines, and wanted to engage  
 26 Wamar. Wamar successfully secured a large IFE systems contract (approximately \$61M) for  
 27 Thales, and Thales agreed to pay Wamar \$2.8M. Again, instead of paying Wamar, Thales  
 28 concocted a plan whereby Wamar was to get its money through a spare parts scheme. Wamar

1 remains entirely unpaid. Further, TABA secured a second much larger contract for Thales, valued  
 2 at \$235M but Thales failed to respond in due time, finalize the contract and fulfill its promises to  
 3 work with Wamar in establishing the off-set program. Moreover, part-way through the process,  
 4 Thales insisted that the agreement be transferred to TABA (a non-U.S. company), and when the  
 5 contract was won, refused to act expediently to sign the approved contract due to summer holidays  
 6 in France. Thus, Wamar/TABA was left with a huge loss after over 3 years of marketing, sales and  
 7 extensive travel in addition to the losses incurred from the off-set program that Wamar has  
 8 established for spare parts distribution for Thales and other related issues. Thales had agreed to  
 9 pay TABA \$12M, but consistent with its exploitation plan, refuses to compensate TABA/Wamar  
 10 for their losses. TABA will be seeking those fees in a separate action.

#### 11 **IV. CAUSES OF ACTION**

##### 12 ***FIRST CAUSE OF ACTION***

##### 13 **(Breach of Contract against Thales Avionics Regarding the January 2013 LOI)**

14 164. Plaintiff incorporates the allegations set forth in paragraphs 1 through 163.

15 165. Plaintiff Wamar and Defendant Thales Avionics entered into the January 2013  
 16 Letter of Intent, regarding the Emirates Airlines project, which is binding upon the parties.  
 17 Wamar has performed all of its obligations under the contract, and the conditions precedent,  
 18 except those which are excused as a result of Defendant's breach.

19 166. The January 2013 LOI was subject to only two conditions subsequent: 1) that  
 20 Emirates select Thales Avionics as sole supplier for IFE system products, support services, and  
 21 connectivity for certain aircraft; and 2) that Wamar and Thales Avionics reach mutual written  
 22 agreement on subcontracting terms and conditions, in accordance with the principles set out in the  
 23 Emirates 2012 MOU.

24 167. As a result of work done by Wamar, in September 2016, Emirates awarded Thales  
 25 Avionics a \$975M contract for the installation of IFE systems on (150) B777X aircraft, in addition  
 26 to technology services ordered by Thales, thus satisfying the first condition of the January 2013  
 27 LOI.

28 168. Defendant Thales Avionics and Wamar reached mutual written agreement when

1 they finalized the language of the SLA. Accordingly, the second condition of the January 2013  
2 LOI was also satisfied.

3 169. Under the January 2013 LOI, Wamar was to perform by: (a) securing contracts  
4 with Emirates for the installation and maintenance of IFE systems on certain B777X and/or A380  
5 aircraft; and (b) securing a contract for Thales Avionics to establish and operate The Dubai  
6 Centers. Thales Avionics agreed to subcontract the operation of The Dubai Centers to Plaintiff in  
7 accordance with the terms of the SLA and to pay Wamar a \$5.75M non-recurring fee in  
8 connection therewith.

9 170. As a direct result of Wamar's efforts, Thales Avionics has been awarded Emirates  
10 contracts for the installation and maintenance of IFE systems and technology services for (150)  
11 B777X aircraft. These contracts are valued at approximately \$975M plus. Thales Avionics and  
12 Wamar agreed that Plaintiff would be compensated in an amount equal to 6.4% of the total value  
13 of the awarded contracts plus the technology services, or approximately \$70M plus, subject to  
14 proof.

15 171. In addition, as instructed by Thales, Plaintiff Wamar, for the benefit of Thales  
16 Avionics, secured the right to establish and operate The Dubai Centers. The original term of the  
17 SLA is 10 years, plus a 2-year option, however Plaintiff and Defendant discussed that Defendant  
18 might purchase the facility in 5-6 years at a mutually agreeable price, but no less than what  
19 Plaintiff would have earned during the 26 -year term of the SLA for its management fee.

20 172. Notwithstanding that the final terms of the SLA were agreed-upon, and that Wamar  
21 secured the space to operate The Dubai Centers, Thales Avionics has unilaterally decided not to  
22 subcontract operation of The Dubai Centers to Wamar, or to pay Wamar any management fee in  
23 total and complete breach of its contractual obligations, representations and promises to Wamar  
24 and its senior management.

25 173. Plaintiff Wamar spent approximately \$15M plus over seven years in out-of-pocket  
26 costs to perform under the January 2013 LOI and to establish the space to operate The Dubai  
27 Centers for Thales Avionics.

28 174. For having delivered contracts to Thales Avionics for (150) B777X aircraft for

1 installation of IFE systems Wamar reasonably expected to earn at minimum \$150M over the 26-  
2 year term of The Dubai Centers, promised by Thales.

3 175. Under the January 2013 LOI, Thales Avionics owes Wamar not less than  
4 \$240.75M as follows:

- 5 a. \$5.75M non-recurring fee;
- 6 b. \$70M with respect to securing the IFE system contracts;
- 7 c. \$15M in out-of-pocket fees; and
- 8 d. \$150M for operating The Dubai Centers.

9 176. Defendant Thales Avionics has paid only a single payment of \$0.21M to Wamar  
10 against the \$240.75M it owes.

11 177. As a result of Defendant Thales Avionics' breach of contract, Wamar has been  
12 damaged in an amount of not less than \$240M, the exact amount of which will be proven at trial.

### 13 ***SECOND CAUSE OF ACTION***

#### 14 **(Intentional Misrepresentation Against Thales Avionics and Budin**

#### 15 **Regarding the January 2013 LOI)**

16 178. Plaintiff incorporates the allegations set forth in paragraphs 1 through 177.

17 179. Plaintiff Wamar and Defendant Thales Avionics entered into the January 2013  
18 Letter of Intent, regarding the Emirates Airlines project, which is binding upon the parties.

19 180. The January 2013 LOI was subject to only two conditions subsequent: 1) that  
20 Emirates select Thales Avionics as sole supplier for IFE systems products, support services, and  
21 connectivity technology for certain aircraft; and 2) that Wamar and Thales Avionics reach mutual  
22 written agreement on subcontracting terms and conditions, in accordance with the principles set  
23 out in the Emirates 2012 MOU.

24 181. Defendant Thales Avionics intentionally made false representations (hereinafter  
25 collectively referred to as the "False Representations") to Plaintiff Wamar as set forth below:

- 26 a. Defendant Thales Avionics represented that it would execute the SLA and perform  
27 its obligations thereunder, as set forth in the January 2013 LOI;
- 28 b. Defendants Thales Avionics and Budin made representations to Wamar that Thales

1 Avionics intended to pay Wamar KIP Royalty fees equal to 6.4% of the total value  
2 of contracts that Wamar secured from Emirates for Thales Avionics for the  
3 installation of IFE systems and technology services on Emirates aircraft;

4 c. Defendants Thales Avionics and Budin made further representations to Wamar that  
5 Wamar would be approved as a KIP as set forth in the final draft of the SLA in  
6 order to induce Wamar to continue to perform and expend millions of dollars to  
7 benefit Thales Avionics and Thales S.A.;

8 d. Defendant Thales Avionics and Budin made further representations to Wamar that  
9 Thales Avionics would subcontract to Wamar the operation of The Dubai Centers.

10 182. Defendants Thales Avionics and Budin made the False Representations to Wamar  
11 intentionally and without regard for their truth and did not intend to perform as represented.

12 183. Defendants Thales Avionics and Budin intended that Wamar rely on the False  
13 Representations in order to secure valuable contracts from Emirates regarding its IFE system  
14 proposals.

15 184. Using the False Representations, Defendants Thales Avionics and Budin induced  
16 Wamar to continue to perform its obligations under the January 2013 LOI and the SLA, while at  
17 the same time having no intention of paying Wamar for its efforts.

18 185. Plaintiff Wamar reasonably relied on Thales Avionics' and Budin's False  
19 Representations in believing it would be paid for delivering valuable IFE system contracts from  
20 Emirates to Thales Avionics.

21 186. Due to Defendants Thales Avionics' and Budin's False Representations, Plaintiff  
22 Wamar was in fact harmed and continues to be harmed.

23 187. Plaintiff Wamar's reliance on Thales Avionics' and Budin's False Representations  
24 was a substantial factor in causing Wamar's harm.

25 188. As a direct result of Defendants Thales Avionics' and Budin's False  
26 Representations, Thales Avionics and Budin induced Wamar to spend years of effort and millions  
27 of dollars acting for the benefit of Thales Avionics. In that regard, in reliance upon the False  
28 Representations, Plaintiff Wamar secured over \$2B worth of valuable contracts (for already won



1 contracts and additional contracts being negotiated) with Emirates for the Defendant Thales  
2 Avionics.

3 189. Due to Defendant Thales Avionics' and Budin's False Representations, Thales  
4 Avionics owes Plaintiff Wamar not less than \$240.75M as follows:

- 5 a. \$5.75M non-recurring fee;
- 6 b. \$70M with respect to securing the IFE systems contracts;
- 7 c. \$15M in out-of-pocket fees; and
- 8 d. \$150M for operating The Dubai Centers.

9 190. Defendant Thales Avionics has paid only a single payment of \$0.21M to Wamar  
10 against the \$240.75M it owes.

11 191. As a result of Defendants Thales Avionics' and Budin's intentional  
12 misrepresentations, Wamar has been damaged in an amount of not less than \$240M, the exact  
13 amount of which will be proven at trial.

14 192. The False Representations were willfully made by Defendants Thales Avionics and  
15 Budin to induce Plaintiff Wamar's continued efforts to secure contracts for the benefit of Thales  
16 Avionics.

17 193. The False Representations were willfully made by Defendants Thales Avionics and  
18 Budin in order to avoid scrutiny by government authorities regarding its use of Business Advisors,  
19 and to be able to deny that Thales Avionics had ever made KIP Royalty commitments to Plaintiff  
20 Wamar.

21 194. The False Representations of Defendants Thales Avionics and Budin were  
22 malicious and highly prejudicial to the financial health of Wamar. Thales Avionics and Budin  
23 induced Wamar to act while Thales Avionics received substantial revenues and profits due to  
24 Wamar's efforts, but yet paid Wamar less than 0.1% of what it is owed.

25 195. By cause of the fraudulent, willful and malicious conduct of Defendants Thales  
26 Avionics and Budin, Plaintiff Wamar is entitled to exemplary and punitive damages against  
27 Thales Avionics in an amount to be determined at trial but believed to be in excess of \$720M.  
28

**THIRD CAUSE OF ACTION**

**(Negligent Misrepresentation Against Thales Avionics and Budin Regarding the January 2013 LOI)**

196. Plaintiff incorporates the allegations set forth in paragraphs 1 through 195.

197. Plaintiff Wamar and Defendant Thales Avionics entered into the January 2013 Letter of Intent, regarding the Emirates Airlines project, which is binding upon the parties.

198. The January 2013 LOI was subject to only two conditions subsequent: 1) that Emirates select Thales Avionics as sole supplier for IFE system products, support services, and connectivity technology for certain aircraft; and 2) that Wamar and Thales Avionics reach mutual written agreement on subcontracting terms and conditions, in accordance with the principles set out in the Emirates 2012 MOU.

199. Defendants Thales Avionics and Budin negligently made false representations (hereinafter collectively referred to as the "False Representations") to Wamar as set forth below:

- a. Defendants Thales Avionics and Budin represented that Thales Avionics would execute the SLA and perform its obligations thereunder, as set forth in the January 2013 LOI;
- b. Defendant Thales Avionics and Budin made representations to Wamar that Thales Avionics intended to pay Wamar KIP Royalty fees equal to 6.4% of the total value of contracts that Wamar secured for the installation of IFE systems and technology services on Emirates aircraft;
- c. Defendant Thales Avionics and Budin made further representations to Wamar that Wamar would be approved as a KIP as set forth in the final draft of the SLA;
- d. Defendant Thales Avionics and Budin made further representations to Wamar that it would subcontract to Wamar the operation of The Dubai Centers.

200. Although Defendants Thales Avionics and Budin may have honestly believed that some or all of the False Representations were true, Thales Avionics and Budin had no reasonable grounds for believing the False Representations were true when they were made.

201. Defendants Thales Avionics and Budin intended that Wamar rely on the False

1 Representations in order to secure valuable contracts from Emirates regarding its IFE systems  
2 aircraft proposals.

3 202. Using its False Representations, Defendants Thales Avionics and Budin induced  
4 Wamar to continue to perform its obligations under the January 2013 LOI with no reasonable  
5 expectation that Thales Avionics would pay Wamar.

6 203. Plaintiff Wamar reasonably relied on Thales Avionics' and Budin's False  
7 Representations in believing Wamar would be paid for delivering valuable Emirates IFE systems  
8 contracts to Thales Avionics.

9 204. Due to Defendants Thales Avionics' and Budin's False Representations, Plaintiff  
10 Wamar was in fact harmed and continues to be harmed.

11 205. Plaintiff Wamar's reliance on Thales Avionics' and Budin's False Representations  
12 was a substantial factor in causing Wamar's harm.

13 206. As a direct result of Defendants Thales Avionics' and Budin's False  
14 Representations, Thales Avionics and Budin induced Plaintiff Wamar to spend years of effort and  
15 millions of dollars acting for the benefit of Thales Avionics. In that regard, in reliance upon the  
16 False Representations, Plaintiff Wamar secured over \$2B worth of valuable contracts (for already  
17 won contracts and additional contracts being negotiated) with Emirates for the Defendant Thales  
18 Avionics.

19 207. Due to Defendants Thales Avionics' and Budin's False Representations, Thales  
20 Avionics owes Plaintiff Wamar not less than \$240.75M as follows:

- 21 a. \$5.75M non-recurring fee;
- 22 b. \$70M with respect to securing the IFE systems contracts;
- 23 c. \$15M in out-of-pocket fees; and
- 24 d. \$150M for operating The Dubai Centers.

25 208. Defendant Thales Avionics has paid only a single payment of \$0.21M to Wamar  
26 against the \$240.75M it owes.

27 209. As a result of Defendant Thales Avionics' and Budin's misrepresentations, Wamar  
28 has been damaged in an amount of not less than \$240M, the exact amount of which will be proven

1 at trial.

2 210. The False Representations were negligently made by Defendants Thales Avionics  
3 and Budin to induce Wamar's continued efforts to secure contracts for the benefit of Thales  
4 Avionics.

5 211. The False Representations were negligently made by Defendants Thales Avionics  
6 and Budin in order to avoid scrutiny by government authorities regarding Thales Avionic's use of  
7 Business Advisors, and to be able to deny that Thales Avionics had ever made KIP Royalty  
8 commitments to Wamar.

9 212. Defendants Thales Avionics and Budin induced Wamar to act while Thales  
10 Avionics received substantial revenues and profits due to Wamar's efforts, but Thales Avionics  
11 has paid Wamar less than 0.1% of what it is owed.

12 213. As a direct result of the fraudulent and negligent conduct of Defendants Thales  
13 Avionics and Budin, Plaintiff Wamar is entitled to exemplary and punitive damages against  
14 Thales Avionics in an amount to be determined at trial but believed to be in excess of \$720M.

#### 15 **FOURTH CAUSE OF ACTION**

##### 16 **(Intentional Misrepresentation Against Thales S.A. and Budin)**

17 214. Plaintiff incorporates the allegations set forth in paragraphs 1 through 213.

18 215. Plaintiff Wamar and Defendant Thales Avionics entered into the Emirates 2012  
19 MOU and January 2013 LOI, regarding the Emirates Airlines project (collectively, "The Emirates  
20 Agreements"), which are binding upon the parties.

21 216. The January 2013 LOI was subject to only two conditions subsequent: 1) that  
22 Emirates select Thales Avionics as sole supplier for IFE system products, support services, and  
23 connectivity for certain aircraft; and 2) that Wamar and Thales Avionics reach mutual written  
24 agreement on subcontracting terms and conditions, in accordance with the principles set out in the  
25 Emirates 2012 MOU.

26 217. Pursuant to the Emirates Agreements, Plaintiff Wamar and Defendant Thales  
27 Avionics agreed to enter into the SLA upon agreement of the terms thereof, consistent with the  
28 principles of the Emirates 2012 MOU.

1           218. Defendant Thales S.A. was aware of the Emirates Agreements and the obligation of  
2 Thales Avionics to execute the SLA.

3           219. Defendants Thales S.A. and Budin intentionally made false representations  
4 (collectively the "False Representations") to Plaintiff Wamar as set forth below:

5           a. Defendants Thales S.A. and Budin represented to Wamar that Thales Avionics  
6 would execute the SLA and perform its obligations thereunder, as set forth in the  
7 January 2013 LOI;

8           b. Thales S.A. and Budin made representations to Wamar that Thales Avionics  
9 intended to pay Wamar KIP Royalty fees equal to 6.4% of the total value of  
10 contracts that Wamar secured from Emirates for Thales Avionics for the  
11 installation of IFE systems and technology services on Emirates aircraft;

12           c. Defendants Thales S.A. and Budin made further representations to Wamar that  
13 Wamar would be approved as a KIP as set forth in the final draft of the SLA in  
14 order to induce Wamar to continue to perform and expend millions of dollars to  
15 benefit Thales Avionics and Thales S.A.

16           d. Defendants Thales S.A. and Budin made further representations to Wamar that  
17 Thales Avionics would subcontract to Wamar the operation of The Dubai Centers.

18           220. In support of Defendant Thales S.A.'s and Budin's False Representations, Wamar  
19 has documentary evidence confirming that Thales S.A. and Budin understood that Thales  
20 Avionics would expect to pay Wamar approximately \$150M plus for Wamar operating The Dubai  
21 Centers during the 26-year term of the SLA, thus inducing Wamar to continue working.

22           221. In support of Defendants Thales S.A.'s and Budin's False Representations, Wamar  
23 has documentary evidence confirming that Thales Avionics would compensate Wamar in an  
24 amount equal to 6.4% of the total value of contracts awarded to Emirates for IFE systems and  
25 technology services, in addition to normal profit to be earned from operating both repair The  
26 Dubai Centers.

27           222. Contrary to the False Representations, Defendants Thales S.A. and Budin did not  
28 intend to qualify Wamar as a KIP, but instead actively worked against Wamar being qualified as a

1 KIP.

2 223. Contrary to the False Representations, Defendants Thales S.A. and Budin conspired  
3 with Thales Avionics to refuse to sign the SLA.

4 224. Contrary to the False Representations, Defendants Thales S.A. and Budin conspired  
5 with Thales Avionics to refuse to subcontract operation of The Dubai Centers to Wamar, actively  
6 working to deny qualifying Wamar as a KIP so Thales Avionics would not have to award the  
7 subcontract to Wamar.

8 225. For years, Defendants Thales S.A. and Budin actively induced Wamar to negotiate  
9 and secure a position for a long-term lease, as well as establish an office space, and hire staff for  
10 The Dubai Centers. However, when it came time to pay Wamar for all its efforts, Thales S.A.  
11 denied Wamar KIP approval, and Thales Avionics used that denial as a fabricated excuse to avoid  
12 paying Wamar. In this way, Thales S.A. could reap the benefit of years of Wamar's efforts and  
13 expenditures for free.

14 226. – Defendants Thales S.A. and Budin made the False Representations intentionally  
15 and without regard for their truth, and did not intend to perform as represented.

16 227. Defendants Thales S.A. and Budin intended that Wamar rely on the False  
17 Representations in order that Thales Avionics could secure valuable contracts from Emirates  
18 regarding its IFE system proposals.

19 228. Using the False Representations, Defendants Thales S.A. and Budin induced  
20 Wamar to continue to perform its obligations to Thales Avionics under the January 2013 LOI and  
21 the SLA, while at the same time having no intention of paying Wamar for its efforts, or having  
22 Thales Avionics to pay for those efforts.

23 229. Plaintiff Wamar reasonably relied on Thales S.A.'s and Budin's False  
24 Representations in believing Thales Avionics would pay Wamar for delivering valuable IFE  
25 systems contracts from Emirates to Thales Avionics.

26 230. Due to Defendant Thales S.A.'s and Budin's False Representations, Wamar was in  
27 fact harmed and continues to be harmed.

28 231. Plaintiff Wamar's reliance on Thales S.A.'s and Budin's False Representations was



1 a substantial factor in causing Wamar's harm.

2 232. As a direct result of Defendant Thales S.A.'s and Budin's False Representations,  
3 Thales S.A. and Budin induced Wamar to spend years of effort and millions of dollars acting for  
4 the benefit of Thales Avionics. In that regard, as a result of the False Representations, Wamar  
5 secured approximately \$2B worth of valuable contracts (for already won contracts and additional  
6 contracts being negotiated) with Emirates for Defendant Thales Avionics.

7 233. Due to Defendants Thales S.A.'s and Budin's False Representations, Thales S.A.  
8 owes Wamar not less than \$240.75M as follows:

- 9 a. \$5.75M non-recurring fee;  
10 b. \$70M with respect to securing the IFE systems contracts;  
11 c. \$15M in out-of-pocket fees; and  
12 d. \$150M for operating The Dubai Centers.

13 234. Defendant Thales Avionics has paid only a single payment of \$0.21M to Wamar  
14 against the \$240.75M owed.

15 235. As a result of Defendant Thales S.A.'s and Budin's intentional misrepresentations,  
16 Wamar has been damaged in an amount of not less than \$240M, the exact amount of which will be  
17 proven at trial.

18 236. The False Representations were willfully made by Defendants Thales S.A. and  
19 Budin to induce Wamar's continued efforts to secure contracts for the benefit of Thales Avionics.

20 237. The False Representations were willfully made by Defendants Thales S.A. and  
21 Budin in order to avoid scrutiny by government authorities regarding Thales' use of Business  
22 Advisors, and to be able to deny that Thales S.A. had ever made KIP Royalty commitments to  
23 Wamar.

24 238. The False Representations of Defendants Thales S.A. and Budin were malicious  
25 and highly prejudicial to the financial health of Wamar. Thales S.A. and Budin induced Wamar to  
26 act while Thales S.A. received substantial revenues and profits due to Wamar's efforts, but yet  
27 Thales Avionics paid Wamar less than 0.1% of what it is owed.

28 239. By cause of the fraudulent, willful and malicious conduct of Defendants Thales

1 S.A. and Budin, Plaintiff Wamar is entitled to exemplary and punitive damages against Thales  
 2 S.A. in an amount to be determined at trial but believed to be in excess of \$720M.

3 **FIFTH CAUSE OF ACTION**

4 **(Breach of Implied Covenant of Good Faith and Fair Dealing by Thales Avionics**

5 **Regarding the January 2013 LOI)**

6 240. Plaintiff Wamar incorporates the allegations set forth in paragraphs 1 through 239.

7 241. Plaintiff Wamar and Defendant Thales Avionics entered into the January 2013  
 8 Letter of Intent, regarding the Emirates Airlines project, which is binding upon the parties.

9 242. The January 2013 LOI was subject to only two conditions subsequent: 1) that  
 10 Emirates select Thales Avionics as sole supplier for IFE system products, support services, and  
 11 connectivity for certain aircraft; and 2) that Wamar and Thales Avionics reach mutual written  
 12 agreement on subcontracting terms and conditions, in accordance with the principles set out in the  
 13 Emirates 2012 MOU.

14 243. Under the January 2013 LOI, Thales Avionics had an obligation to work with  
 15 Wamar in good faith. Thales Avionics knew Wamar was aggressively spending effort and money  
 16 pursuing the objectives set out in the Emirates 2012 MOU and the January 2013 LOI. Thales  
 17 Avionics encouraged Wamar to (a) continue pursuing the IFE systems and technology services  
 18 contracts with Emirates, (b) continue establishing The Dubai Centers, and (c) secure a space for  
 19 The Dubai Centers. Wamar, in reliance upon Thales Avionics' representations and promises of  
 20 performance, did so.

21 244. It is well settled that, in California, the law implies in every contract a covenant of  
 22 good faith and fair dealing. That covenant requires that neither party do anything which will  
 23 deprive the other of the benefits of the agreement and not to act in bad faith toward the other  
 24 contracting party by misleading the other party or by concealing important information from the  
 25 other party.

26 245. In violation of that covenant, Defendant Thales Avionics, with Thales S.A. acting  
 27 as the puppet master, engaged in a bad faith scheme to misappropriate Wamar's efforts. Their  
 28 plan was simple and easily repeated: (1) Induce Wamar to perform; (2) Wait for Wamar to

1 produce a valuable result; (3) Fabricate an excuse to deny paying Wamar or threaten another  
 2 aspect of Wamar's business; and (4) Reap the benefit of Wamar's efforts free of charge. Thales  
 3 Avionics applied this bad faith scheme at least twice in just the January 2013 LOI when (1)  
 4 Wamar secured a \$975M contract for Thales Avionics and (2) when Wamar secured a space for  
 5 The Dubai Centers.

6 246. In a first example, Defendant Thales Avionics acted in bad faith regarding its  
 7 refusal to pay Wamar for securing a \$975M contract for Thales Avionics. As described above,  
 8 Thales Avionics executed its bad faith scheme in four steps:

9 **A. *Induce Wamar***

10 247. Defendant Thales Avionics and Plaintiff Wamar agreed that Wamar would earn a  
 11 KIP Royalty fee equal to 6.4% of the total value of the Emirates IFE systems and technology  
 12 services contracts but Thales Avionics refused to put the KIP Royalty fee in writing to conceal  
 13 those payment obligations from governmental scrutiny, and be able to deny that it had ever made  
 14 that commitment to Wamar.

15 **B. *Wait for Wamar to Perform***

16 248. Plaintiff Wamar, induced by the expectation of a 6.4% KIP Royalty fee, worked  
 17 diligently to secure a \$975M plus contract for Thales Avionics for Emirates IFE systems and  
 18 technology services.

19 **C. *Fabricate an Excuse not to Pay.***

20 249. Showing an astonishing level of bad faith, Thales Avionics claimed it did not have  
 21 any written documentation showing it owed Wamar a 6.4% KIP Royalty fee. But it was Thales  
 22 Avionics that agreed to the 6.4% calculation, but refused to put it in writing for regulatory and bad  
 23 faith purposes.

24 **D. *Reap the Benefit of Wamar's Efforts***

25 250. Defendant Thales Avionics refused to pay Wamar the fees it had earned by the  
 26 awarded contracts to install IFE systems and technology services on Emirates (150) B777X fleet  
 27 of aircraft. By doing so, Thales Avionics could reap an additional \$70M profit on the deal, all at  
 28 the expense of Wamar.

1           251. In a second example, Thales Avionics acted in bad faith regarding its refusal to pay  
2 Wamar for its obtaining the valuable The Dubai Centers. As described above, Thales Avionics  
3 again executed its bad faith scheme in four steps:

4           **A. *Induce Wamar***

5           252. The SLA set out the compensation Wamar would earn for operating The Dubai  
6 Centers, which, at a minimum, would be the aggregated management fees expected for the 26-year  
7 term of the SLA. If Wamar were to get contracts for (150) aircraft, the compensation to Wamar  
8 would be in excess of \$150M.

9           **B. *Wait for Wamar to Perform***

10          253. It took years of effort, and over \$15M dollars in of out-of-pocket expenses, but  
11 Plaintiff Wamar successfully established a space for The Dubai Centers, staffed it, and prepared it  
12 for operation. Due to its performance under the contract, Wamar expected to begin receiving its  
13 management fees.

14          **C. *Fabricate an Excuse not to Pay***

15          254. However, Defendant Thales Avionics had a different plan. Instead of paying  
16 Wamar, Thales Avionics, under the direction of Thales S.A., began manipulating and changing the  
17 requirements for Wamar to be re-qualified as a KIP. And if Wamar was not a KIP, then Thales  
18 Avionics had an excuse not to pay Wamar. Not surprisingly, Thales S.A. and Thales Avionics  
19 disingenuously denied Wamar's KIP re-qualification, and refused to pay Wamar for work it did to  
20 establish The Dubai Centers. Further detail as to how Thales schemed to deny KIP re-qualification  
21 follows.

22          **D. *Reap the Benefit of Wamar's Efforts***

23          255. By refusing to pay Plaintiff Wamar, Defendant Thales Avionics not only has access  
24 to a state-of-the art turnkey IFE Repair and the Discovery Dubai Innovation Center, but added at  
25 least \$150M plus to its bottom line.

26          **E. KIP Re-qualification**

27          256. Defendant Thales had an obligation to evaluate Wamar fairly and in good faith  
28 during the KIP qualification process. Defendant Thales establishes and controls the qualification

1 criteria for KIP, performs the evaluation, and is the sole and final arbiter of who gets to be a KIP  
2 and who does not. Thus, it has complete power over the process. As late as January 9, 2018,  
3 Thales Group executives personally told Wamar senior management that Wamar was approved as  
4 a KIP and that Wamar should keep performing under the Emirates 2012 MOU, and the January  
5 2013 LOI and the SLA. In reliance upon those representations, Wamar did so at considerable  
6 expense. Then, without warning, on January 29, 2018, Roger Daix and Budin met with Wamar  
7 senior management and informed them that due to Panasonic's issue with the Justice Department  
8 in Dubai, Thales would not approve Wamar as a KIP, would not sign the SLA, and as a  
9 consequence, Wamar would receive nothing for its efforts even though agreed upon compensation  
10 was due.

11 257. Wamar senior management objected to Thales S.A.'s and Thales Avionics' bad  
12 faith. In response, in a letter dated March 9, 2018, Dominique Giannoni, CEO of Thales InFlyt  
13 Experience, fell back on the excuse that Wamar failed to re-qualify as a KIP and that the SLA had  
14 not been signed. Each of those events, however, was the result of bad faith manipulation of the  
15 process by Thales S.A. and Thales Avionics.

16 258. Mr. Giannoni's assertion that Wamar "does not meet the criteria to perform the  
17 project as normally expected from an industrial partner" was made in bad faith because Thales  
18 S.A. and Thales Avionics know that Wamar has been a KIP for Thales Group in previous years,  
19 that Wamar provided all of the documents requested, and that Wamar was fully qualified to  
20 operate The Dubai Centers.

21 259. Furthermore, Thales S.A.'s and Thales Avionics' denial of Wamar's KIP re-  
22 qualification was a blatantly bad faith act designed to pass the entire risk and cost of establishing  
23 The Dubai Centers to Wamar with the intent to deny the KIP re-qualification once everything was  
24 in place and Thales Avionics could step in and take over the operations without the cost of paying  
25 Wamar what it had earned, and what it would earn operating The Dubai Centers during the 26-  
26 year term of the SLA.

27 260. Had Wamar known of Thales S.A.'s and Thales Avionics' bad faith in denying  
28 Wamar the KIP re-qualification, Wamar would have taken action to protect itself against such bad

1 faith. Wamar could have, for example, worked with Thales Group's competitors, or ceased  
 2 spending money until Thales S.A. and Thales Avionics accepted Wamar as a KIP in writing and  
 3 executed the SLA.

4 261. Instead, Plaintiff Wamar acted in reliance upon Thales S.A.'s and Thales Avionics'  
 5 representations that Wamar would be a KIP and would operate The Dubai Centers as  
 6 contemplated by the Emirates 2012 MOU and January 2013 LOI and the SLA. As a direct result  
 7 thereof, Plaintiff has incurred significant damages including out-of-pocket expenses, and lost  
 8 profits from opportunities passed on while it worked on behalf of Thales Avionics.

9 262. As a result of Defendant Thales Avionics' bad faith breach of the implied covenant  
 10 of good faith and fair dealing, Plaintiff Wamar has been damaged in an amount of not less than  
 11 \$240.75M as follows:

- 12 a. \$5.75M non-recurring fee;
- 13 b. \$70M with respect to securing the IFE systems contracts;
- 14 c. \$15M in out-of-pocket fees; and
- 15 d. \$150M for operating The Dubai Centers.

16 263. Defendant Thales Avionics has paid only a single payment of \$0.21M to Wamar  
 17 against the \$240.75M plus it owes.

18 264. As a result of Defendant Thales Avionics' intentional misrepresentations, Plaintiff  
 19 Wamar has been damaged in an amount of not less than \$240M, the exact amount of which will be  
 20 proven at trial.

### 21 **SIXTH CAUSE OF ACTION**

#### 22 **(Restitution; Unjust Enrichment against**

#### 23 **Thales Avionics Regarding the Emirates Agreements)**

24 265. Plaintiff Wamar incorporates the allegations set forth in paragraphs 1 through 264.

25 266. Plaintiff Wamar and Defendant Thales Avionics entered into the January 2013  
 26 Letter of Intent, regarding the Emirates Airlines project, which is binding upon the parties.

27 267. The January 2013 LOI was subject to only two conditions subsequent: 1) that  
 28 Emirates select Thales Avionics as sole supplier for IFE system products, support services, and



1 connectivity for certain aircraft; and 2) that Wamar and Thales Avionics reach mutual written  
2 agreement on subcontracting terms and conditions, known as the SLA. As set out in the SLA,  
3 Plaintiff Wamar was to also establish a The Dubai Centers.

4 268. Plaintiff Wamar worked aggressively to promote Thales Avionics to Emirates for  
5 the installation of Thales' IFE systems and technology services on multiple aircraft projects and  
6 for Thales Avionics to be selected as the operator of The Dubai Centers. Wamar worked for  
7 years, and spent millions of its own dollars promoting Thales Avionics. Wamar was successful  
8 both in (a) securing contracts for Thales Avionics valued at approximately \$975M plus for the  
9 installation of IFE systems and technology services on Emirates aircraft, and (b) winning approval  
10 from Emirates for Thales Avionics to operate the new The Dubai Centers.

11 269. Defendant Thales Avionics should have paid Wamar \$70M plus for it having  
12 secured the \$975M contract for them.

13 270. Plaintiff Wamar incurred over \$15M in out-of-pocket costs performing its  
14 obligations under the January 2013 LOI and the SLA to establish The Dubai Centers.

15 271. Pursuant to the January 2013 LOI, Defendant Thales Avionics and Plaintiff Wamar  
16 were obligated to negotiate the terms of the SLA in good faith, pursuant to which Thales Avionics  
17 would subcontract operating The Dubai Centers to Wamar. After Wamar obtained approval for  
18 The Dubai Centers, however, Defendant Thales Avionics refused to sign the SLA. Instead,  
19 Defendant Thales Avionics elected to keep The Dubai Centers opportunity for itself.

20 272. Plaintiff Wamar reasonably expected to earn \$150M plus operating the new The  
21 Dubai Centers during the 26-year term of the SLA.

22 273. Defendant Thales Avionics seeks to unjustly enrich itself by acting in bad faith to  
23 keep The Dubai Centers opportunity for itself rather than subcontract it to Wamar as agreed, thus  
24 misappropriating money Wamar expected to earn operating the facility.

25 274. Defendant is to earn more than \$2B on the total amount of all the Emirates Airlines  
26 contracts that Wamar has worked so hard to win.

27 275. Plaintiff seeks disgorgement of all of the ill-gotten profits the Thales Group will  
28 earn by operating The Dubai Centers, the exact amount of which will be proven at trial.

**SEVENTH CAUSE OF ACTION**

**(Intentional Interference with Contractual Relations against  
Thales S.A. regarding the Emirates Agreements)**

276. Plaintiff Wamar incorporates the allegations set forth in paragraphs 1 through 275.

277. Plaintiff Wamar and Defendant Thales Avionics entered into the Emirates 2012 MOU and the January 2013 LOI, both of which are binding agreements (collectively the “Emirates Agreements”).

278. Pursuant to the Emirates Agreements, Plaintiff Wamar and Defendant Thales Avionics agreed to enter into the SLA upon agreement of the terms thereof, consistent with the principles of the Emirates 2012 MOU.

279. Defendant Thales S.A. was aware of the Emirates Agreements for The Dubai Centers as both were part of the contract between Thales and Emirates.

280. Defendant Thales S.A. was aware that the bulk of the fees and compensation that Thales Avionics would owe Wamar under the Emirates Agreements were contingent on Wamar being approved as a KIP.

281. Defendant Thales S.A. had already approved Wamar as a KIP in 2012 for a three year term. Thales S.A. knew that Wamar was to be re-qualified as a KIP by 2015.

282. Defendant Thales establishes and controls the qualification criteria for KIP, performs the evaluation, and is the sole and final arbiter of who gets to be KIP and who does not. Thus, it has complete power over the process.

283. As late as January 9, 2018, Thales Group executives personally falsely told Wamar senior management that Wamar was approved as a KIP and Wamar should continue performing under the Emirates Agreements with Thales.

284. Plaintiff Wamar performed all its obligations under the Emirates Agreements by: (a) securing for Thales Avionics contracts valued at approximately \$975M for the installation of IFE systems and technology services on Emirates aircraft; (b) establishing approval for Thales Avionics to operate The Dubai Centers; and (c) reaching written mutual agreement with Thales Avionics regarding terms of the SLA.

1           285. Defendant Thales S.A. intentionally manipulated the KIP re-qualification standard  
2 and process, and disingenuously refused to re-qualify Wamar as a KIP.

3           286. On January 29, 2018, Roger Daix and Budin met with Wamar senior management  
4 and informed them that Thales would not approve Wamar as a KIP, would not sign the SLA, and  
5 as a consequence, Wamar would receive nothing for its efforts even though agreed-upon  
6 compensation was due.

7           287. Wamar senior management objected to Thales S.A.'s bad faith. In response, in a  
8 letter dated March 9, 2018, Dominique Giannoni, CEO of Thales InFlyt Experience, fell back on  
9 the excuse that Wamar failed to re-qualify as a KIP and that the SLA had not been signed. Each  
10 of those events, however, was the result of bad faith manipulation of the process by Thales S.A.

11           288. Mr. Giannoni's assertion that Wamar "does not meet the criteria to perform the  
12 project as normally expected from an industrial partner" was made in bad faith because Thales  
13 S.A. knows that Wamar has been a KIP for Thales Group in previous years, that Wamar provided  
14 all of the documents requested, and that Wamar was fully qualified to operate The Dubai Centers.

15           289. Furthermore, Defendant Thales S.A.'s denial of Wamar's KIP re-qualification was a  
16 blatantly bad faith act designed to pass the entire risk and cost of establishing The Dubai Centers  
17 to Wamar with the intent to deny the KIP re-qualification once everything was in place and Thales  
18 Avionics could step in and take over the operations without the cost of paying Wamar what it had  
19 earned, and what it would earn operating The Dubai Centers during the 26-year term of the SLA.

20           290. As a direct result of Defendant Thales S.A.'s interference and refusal to re-qualify  
21 Wamar as a KIP, Thales Avionics refused to perform under the Emirates Agreements by refusing  
22 to execute the SLA.

23           291. As a direct result of Defendant Thales S.A.'s interference and refusal to re-qualify  
24 Wamar as a KIP, Thales Avionics refused to pay Wamar what it was owed under the Emirates  
25 Agreements.

26           292. As a direct result of Defendant Thales S.A.'s interference and refusal to re-qualify  
27 Wamar as a KIP, Thales Avionics refused to subcontract the new The Dubai Centers to Wamar.

28           293. Defendant Thales S.A.'s conduct was a substantial factor in causing Wamar harm.

1 If Thales S.A. had not interfered and manipulated the KIP re-qualification process in bad faith,  
 2 providing Thales Avionics with a convenient excuse to refuse to sign the SLA, Wamar would  
 3 have executed the SLA, received payment for the \$975M (150) B777X aircraft contract, and been  
 4 selected as the subcontractor for The Dubai Centers.

5 294. As a result of Defendant Thales S.A.'s intentional interference with Wamar's  
 6 contractual relations, Plaintiff Wamar has been damaged in an amount of not less than:

- 7 (a) \$70M with respect to securing the IFE systems contracts, and;
- 8 (b) \$150M with respect to establishing The Dubai Centers contract, of which the exact  
 9 amount will be proven at trial.

### 10 **EIGHTH CAUSE OF ACTION**

#### 11 **(Intentional Interference with Prospective Economic Relations against Thales S.A.**

#### 12 **Regarding the Emirates Agreements)**

13 295. Plaintiff Wamar incorporates the allegations set forth in paragraphs 1 through 294.

14 296. Plaintiff Wamar and Defendant Thales Avionics entered into the Emirates 2012  
 15 MOU and the January 2013 LOI, both of which are binding agreements upon the parties.  
 16 (Collectively the "Emirates Agreements").

17 297. Pursuant to the Emirates Agreements, Plaintiff Wamar and Defendant Thales  
 18 Avionics agreed to enter into the SLA upon agreement of the terms thereof, consistent with the  
 19 principles of the Emirates 2012 MOU.

20 298. Defendant Thales S.A. was aware of the Emirates Agreements and the obligation of  
 21 Thales Avionics to execute the SLA.

22 299. Defendant Thales S.A. was aware that the SLA included a provision that Wamar  
 23 was required to be approved as a KIP.

24 300. Defendant Thales S.A. was aware that Thales Avionics could refuse to execute the  
 25 SLA if Wamar was not re-qualified as a KIP.

26 301. Defendant Thales S.A. had already approved Wamar as a worldwide KIP in 2012  
 27 for a three year term. Thales S.A. knew that Wamar was to be re-qualified as a KIP by 2015.

28 302. Defendant Thales establishes and controls the qualification criteria for KIP,

1 performs the evaluation, and is the sole and final arbiter of who gets to be KIP and who does not.  
2 Thus, it has complete power over the process.

3 303. As late as January 9, 2018, Thales Group executives personally and falsely told  
4 Wamar senior management that Wamar was approved as a KIP and Wamar should continue  
5 performing under the Emirates Agreements.

6 304. Plaintiff Wamar performed all its obligations under the Emirates Agreements by:  
7 (a) securing for Thales Avionics contracts valued at approximately \$975M plus for the installation  
8 of IFE systems and technology services on Emirates aircraft; (b) establishing approval for Thales  
9 Avionics to operate The Dubai Centers; and (c) reaching written mutual agreement with Thales  
10 Avionics regarding terms of the SLA.

11 305. Defendant Thales S.A. misrepresented to Wamar that Wamar would be re-qualified  
12 as a KIP, thus inducing Wamar to continue performing under the January 2013 LOI.

13 306. Defendant Thales S.A. intentionally manipulated the KIP re-qualification standard  
14 and process, and disingenuously refused to re-qualify Wamar as a KIP.

15 307. On January 29, 2018, Roger Daix and Budin met with Wamar senior management  
16 and informed them that Thales would not approve Wamar as a KIP, would not sign the SLA, and  
17 as a consequence, Wamar would receive nothing for its efforts even though agreed-upon  
18 compensation was due.

19 308. Wamar senior management objected to Thales S.A.'s bad faith. In response, in a  
20 letter dated March 9, 2018, Dominique Giannoni, CEO of Thales InFlyt Experience, fell back on  
21 the excuse that Wamar failed to re-qualify as a KIP and that the SLA had not been signed. Each  
22 of those events, however, was the result of bad faith manipulation of the process by Thales S.A.

23 309. Mr. Giannoni's assertion that Wamar "does not meet the criteria to perform the  
24 project as normally expected from an industrial partner" was made in bad faith because Thales  
25 S.A. knows that Wamar has been a world-wide KIP for Thales Group in previous years, that  
26 Wamar provided all of the documents requested, and that Wamar was fully qualified to operate  
27 The Dubai Centers.

28 310. Defendant Thales S.A. created the excuse for Thales Avionics to refuse to execute

1 the SLA by controlling and manipulating the KIP re-qualification process, and arbitrarily refusing  
2 to re-qualify Wamar.

3 311. As a direct result of Defendant Thales S.A.'s interference and refusal to re-qualify  
4 Wamar as a KIP, Thales Avionics refused to perform under the Emirates Agreements by refusing  
5 to execute the SLA.

6 312. As a direct result of Defendant Thales S.A.'s interference and refusal to re-qualify  
7 Wamar as a KIP, Thales Avionics refused to pay Wamar what it was owed under the Emirates  
8 Agreements.

9 313. As a direct result of Defendant Thales S.A.'s interference and refusal to re-qualify  
10 Wamar as a KIP, Thales Avionics refused to subcontract the new The Dubai Centers to Wamar.

11 314. Defendant Thales S.A.'s conduct was a substantial factor in causing Wamar harm.  
12 If Thales S.A. had not interfered and manipulated the KIP qualification process in bad faith,  
13 providing Thales Avionics with a convenient excuse to refuse to sign the SLA, Wamar would  
14 have executed the SLA, received payment for the \$975M plus IFE systems contract on Emirates  
15 aircraft, and been selected as the subcontractor for The Dubai Centers.

16 315. As a result of Defendant Thales S.A.'s intentional interference with Wamar's  
17 prospective economic relations, Plaintiff Wamar has been damaged in an amount of not less than:

- 18 (a) \$70M with respect to securing the IFE systems installation contracts, and;
- 19 (b) 150M with respect to establishing The Dubai Centers contract, of which the exact  
20 amount will be proven at trial.

### 21 **NINTH CAUSE OF ACTION**

#### 22 **(Conspiracy to Commit Fraud against Thales S.A., Thales Avionics and Budin**

#### 23 **Regarding the Emirates Agreements)**

24 316. Plaintiff Wamar incorporates the allegations set forth in paragraphs 1 through 315.

25 317. Plaintiff Wamar and Defendant Thales Avionics entered into the Emirates 2012  
26 MOU and the January 2013 LOI, both of which are binding agreements upon the parties.  
27 (Collectively the "Emirates Agreements").

28 318. Pursuant to the Emirates Agreements, Plaintiff Wamar and Defendant Thales



1 Avionics agreed to enter into the SLA upon agreement of the terms thereof, consistent with the  
2 principles of the Emirates 2012 MOU.

3 319. Pursuant to the January 2013 LOI, Wamar was required to re-qualify as a KIP.  
4 Thales establishes and controls the qualification criteria for KIP, performs the evaluation, and is  
5 the sole and final arbiter of who gets to be KIP and who does not. Thus, it has complete power  
6 over the process.

7 320. Defendants Thales Avionics and Thales S.A. had a duty to Wamar to act in good  
8 faith in establishing the KIP requirements and applying them to Wamar, particularly in the context  
9 of the January 2013 LOI, the work and expenses they required Wamar to undertake, and the fact  
10 that Wamar had recently been qualified as a world-wide KIP.

11 321. Defendant Thales Avionics and Thales S.A., however, conspired to manipulate the  
12 KIP re-qualification process. Together, they and Budin repeatedly advised Wamar that it would  
13 be re-qualified as a KIP, thus inducing Wamar to continue performing, to continue spending its  
14 own money and resources until it had secured The Dubai Centers with the intent that once Wamar  
15 had secured The Dubai Centers, Thales S.A. would deny Wamar its KIP status and keep The  
16 Dubai Centers opportunity for itself.

17 322. Defendants Thales Avionics, Thales S.A. and Budin knew, agreed, and worked in  
18 concert to drag out the re-qualification process, to give encouragement to Wamar that it would be  
19 qualified as a KIP, and to then deny KIP status with the intent to cheat Wamar out of operating  
20 The Dubai Centers.

21 323. As a result of Defendants Thales S.A.'s, Thales Avionics' and Budin's conspiracy  
22 to act in bad faith defraud Wamar out of the opportunity to be the sole subcontractor of The Dubai  
23 Centers, Plaintiff Wamar has been damaged in an amount of not less than:

24 (a) \$70M with respect to securing the IFE systems contracts, and;

25 (b) \$150M with respect to establishing The Dubai Centers contract, of which the exact  
26 amount will be proven at trial.

**TENTH CAUSE OF ACTION**

**(Aiding and Abetting Intentional Misrepresentation against Thales S.A. and Budin  
Regarding the Emirates Agreements)**

324. Plaintiff Wamar incorporates the allegations set forth in paragraphs 1 through 323.

325. Plaintiff Wamar and Defendant Thales Avionics entered into the Emirates 2012 MOU and the January 2013 LOI, both of which are binding agreements upon the parties. (Collectively the "Emirates Agreements").

326. Pursuant to the Emirates Agreements, Plaintiff Wamar and Defendant Thales Avionics agreed to enter into the SLA upon agreement of the terms thereof, consistent with the principles of the Emirates 2012 MOU.

327. Defendant Thales Avionics was required to pay Wamar a KIP Royalty equal to 6.4% of the value of the contracts Wamar secured for the installation of Thales IFE systems and technology services on Emirates aircraft. Thales Avionics and Thales S.A., however, cooperated in intentionally misleading Wamar by promising to pay the 6.4% KIP Royalty, but refusing to put the promise into a written document, intending to, and actually denying the obligation.

328. Defendant Thales S.A. knew that the representations were false when made, yet provided substantial assistance to Thales Avionics by showing Wamar senior management the calculations and assuring them that Wamar would be paid accordingly, thus inducing Wamar to continue performing at its own cost and to its detriment.

329. Furthermore, pursuant to the January 2013 LOI, Wamar was required to re-qualify as a KIP. Wamar's re-qualification as a KIP was a condition to the SLA. Thales establishes and controls the qualification criteria for KIP, performs the evaluation, and is the sole and final arbiter of who gets to be KIP and who does not. Thus, it has complete power over the process.

330. From and after the execution of the January 2013 LOI, Thales Avionics, Thales S.A., and Budin peddled false representations regarding Wamar's pending re-qualification as a KIP. Early in the process, Thales Avionics assured Wamar and Wamar senior management that Wamar would be re-qualified. Later in the process, Thales S.A. assured Wamar that KIP re-qualification was complete. Thales S.A. knew that Thales Avionics was engaged in false

1 representations. Even though Thales S.A. knew the representations were false, Thales S.A.  
 2 provided substantial assistance to Thales Avionics by, among other things, dragging out the  
 3 process to keep Wamar engaged and performing at its own cost, and by assuring Wamar that the  
 4 decision was finalized and the KIP would be renewed.

5 331. In addition, Defendant Thales Avionics made representations to Wamar that it  
 6 would sign the SLA and subcontract operations of the Dubai IFE Repair and the Discovery  
 7 Innovation Dubai Centers to Wamar. Thales S.A. and Budin knew those representations were  
 8 false. Nevertheless, Thales S.A. and Budin provided substantial assistance to Thales Avionics by  
 9 (a) dragging out the process to keep Wamar engaged and performing at its own cost, (b) assuring  
 10 Wamar that the decision was finalized and the KIP would be renewed, and (c) refusing to certify  
 11 Wamar as a KIP, giving Thales Avionics and excuse to refuse to sign the SLA and thereby refuse  
 12 to subcontract operation of The Dubai Centers to Wamar.

13 332. As a result of Defendant Thales S.A.'s acts to aid and abet Thales Avionics' false  
 14 representations to Wamar, Plaintiff Wamar has been damaged in an amount of not less than:

15 (a) \$70M with respect to securing the IFE systems contracts, and;

16 (b) \$150M with respect to establishing The Dubai Centers contract, of which the exact  
 17 amount will be proven at trial.

#### 18 **ELEVENTH CAUSE OF ACTION**

#### 19 **(Aiding and Abetting Breach of the Implied Covenant of Good Faith and Fair Dealing** 20 **against Thales S.A. Regarding the Emirates Agreements)**

21 333. Plaintiff Wamar incorporates the allegations set forth in paragraphs 1 through 332.

22 334. Plaintiff Wamar and Defendant Thales Avionics entered into the Emirates 2012  
 23 MOU and the January 2013 LOI, both of which are binding agreements upon the parties.  
 24 (Collectively the "Emirates Agreements").

25 335. Pursuant to the Emirates Agreements, Plaintiff Wamar and Defendant Thales  
 26 Avionics agreed to enter into the SLA upon agreement of the terms thereof, consistent with the  
 27 principles of the Emirates 2012 MOU.

28 336. In California, the law implies in every contract a covenant of good faith and fair

1 dealing. That covenant requires that neither party do anything which will deprive the other of the  
2 benefits of the agreement and not to act in bad faith toward the other contracting party by  
3 misleading the other party or by concealing important information from the other party.

4 337. Pursuant to the January 2013 LOI, Wamar was required to re-qualify as a KIP.  
5 Thales establishes and controls the qualification criteria for KIP, performs the evaluation, and is  
6 the sole and final arbiter of who gets to be KIP and who does not. Thus, it has complete power  
7 over the process.

8 338. Defendant Thales Avionics had a duty to Wamar to act in good faith in establishing  
9 the KIP requirements and applying them to Wamar, particularly in the context of the January 2013  
10 LOI, the work and expenses they required Wamar to undertake, and the fact that Wamar had  
11 already been qualified as a world-wide KIP previously.

12 339. Defendants Thales S.A. and Budin knew Thales Avionics had a duty to act in good  
13 faith, but elected to assist Thales Avionics in violating its covenant. Together, they repeatedly  
14 advised Wamar that it would be re-qualified as a KIP, thus inducing Wamar to continue  
15 performing, to continue spending its own money and resources until it had secured The Dubai  
16 Centers with the intent that once Wamar had secured The Dubai Centers, Thales S.A. would deny  
17 Wamar its KIP status and keep The Dubai Centers opportunity for itself.

18 340. Defendants Thales Avionics, Thales S.A. and Budin knew, agreed, and worked in  
19 concert to drag out the re-qualification process, to give encouragement to Wamar that it would be  
20 re-qualified as a KIP, and to then deny KIP status with the intent to cheat Wamar out of operating  
21 The Dubai Centers.

22 341. In addition, Thales Avionics was required to pay Wamar a KIP Royalty equal to  
23 6.4% of the value of the contracts Wamar senior management and Wamar secured for the  
24 installation of Thales IFE systems and technology services on Emirates aircraft. Thales Avionics  
25 and Thales S.A., however, cooperated in intentionally misleading Wamar by promising to pay the  
26 6.4%, but refusing to put the promise into a written document, intending to, and actually denying  
27 the obligation.

28 342. Defendant Thales S.A. knew that the representations were false when made, yet

1 provided substantial assistance to Thales Avionics by showing Wamar senior management the  
2 calculations and falsely assuring that Wamar would be paid accordingly, thus inducing Wamar to  
3 continue performing at its own cost and to its detriment.

4 343. As a result of Defendant Thales S.A.'s and Budin's aiding and abetting Thales  
5 Avionics' violation of its covenant to act in good faith, Plaintiff Wamar has been damaged in an  
6 amount of not less than:

7 (a) \$70M with respect to securing the IFE systems contracts, and;

8 (b) \$150M with respect to establishing The Dubai Centers contract, the exact amount  
9 of which will be proven at trial.

#### 10 **TWELFTH CAUSE OF ACTION**

#### 11 **(Quantum Meruit)**

12 344. Plaintiff Wamar incorporates the allegations set forth in paragraphs 1 through 343.

13 345. Before Thales hired Wamar to assist it in securing IFE system business in the  
14 Middle East, Thales was floundering. Thales had a zero percent (0%) market share of the Middle  
15 East IFE system business and nothing to show for its efforts but failure. Today, as a result of  
16 Wamar's efforts, Thales has a sixty percent (60%) Middle East market share.

17 346. As discussed above, Wamar and Thales entered into a series of consultancy  
18 agreements pursuant to which Thales agreed to pay Wamar if Wamar's efforts resulted in Thales  
19 obtaining IFE system contracts with Middle East airlines. Wamar's efforts have resulted in Thales  
20 booking over \$700M confirmed contracts with options for another \$1.13B for A380 (40+ AC),  
21 B777X (100) and B787 (40) at Emirates alone, plus connectivity and service that are worth over  
22 \$100M. Plus, Kuwait Airlines (\$16.5M) and Turkish Airlines (\$61M).

23 347. In addition, Wamar established The Dubai Centers worth at least \$150M to Wamar,  
24 and substantially more to Thales. The value of The Dubai Centers was so great that Thales  
25 fraudulently stole that opportunity from Wamar to keep it for itself.

26 348. Wamar has contracts establishing its right to payment. To the extent, however, that  
27 the Court believes there is any doubt about the validity of any of the contracts, Wamar has shown  
28 that its services were rendered under an understanding and expectation by both parties that

1 compensation for Wamar's efforts was to be made - at least that was the case until Thales decided  
 2 it would simply rather not pay anything for the sixty percent (60%) Middle East IFE business  
 3 market share Wamar helped it secure.

4 349. At all times, Wamar was acting in accordance with instructions from Thales.  
 5 Thales instructed Wamar to perform the services, was kept informed of Wamar's activities and  
 6 enjoyed the benefit of Wamar's services as its Middle East IFE system market share rose from  
 7 zero percent to sixty percent. The services Wamar provided were intended solely to benefit  
 8 Thales, and in fact have greatly benefitted Thales. Wamar provided valuable services and Thales  
 9 retained their benefit with full appreciation of the facts. Under these circumstances, it would be  
 10 inequitable for Thales to retain the benefit without payment to Wamar of its reasonable value.

11 350. Wamar senior management has seven (7) years' of text messages and "What's App"  
 12 messages documenting the instructions from Thales and acknowledgements of the value of the  
 13 services performed by Wamar. Wamar has documentary proof of the agreed-upon value of its  
 14 services, including a 6.4% KIP Royalty.

15 351. Accordingly, at a minimum, Wamar is entitled to recover the reasonable value of  
 16 the services rendered in an amount of not less than:

- 17 (a) \$5.75M for Wamar's non-recurring fee regarding the January 2013 LOI with
- 18 Emirates;
- 19 (b) \$15M for Wamar's out-of-pocket costs to obtain the Emirates contracts;
- 20 (c) \$70M with respect to securing the IFE systems contracts, and
- 21 (d) \$150M with respect to establishing The Dubai Centers contract, the exact amount
- 22 of which will be proven at trial.

### 23 **THIRTEENTH CAUSE OF ACTION**

#### 24 **(RICO Against All Defendants)**

25 352. Plaintiff Wamar incorporates the allegations set forth in paragraphs 1 through 351.

26 353. The Racketeer Influenced and Corrupt Organizations Act (18 U.S.C. §1961 et seq.)  
 27 ("RICO") declares it unlawful to use or invest income from "a pattern of racketeering activity"  
 28 and the establishment, operation or acquisition of an interest in any enterprise engaged in or



1 affecting interstate or foreign commerce, "through a pattern of racketeering activity...." The  
 2 racketeering activity engaged in by defendants, and each of them, includes, but is not limited to  
 3 mail and wire fraud, extortion, and money laundering.

4 ***A. Wire and Mail Fraud 18 U.S.C. §§ 1341 & 1343***

5 354. Defendants, and each of them, through the use of mail and wire services, including  
 6 the United States mail, and through electronic wire transmissions (telephone) and electronic mail  
 7 (e-mail) used false and misleading statements to fraudulently induce Wamar to pursue contracts on  
 8 behalf of the defendants, causing significant financial damage to Wamar because the defendants  
 9 did not intend to pay, and in fact have not paid, the amounts earned under the contracts.

10 355. The defendants engaged in further wire fraud and mail fraud in connection with  
 11 false and fraudulent promises made regarding qualifying Wamar as a KIP.

12 356. On May 15, 2017, Phillippe Desclaudure falsely advised Harald Zirngibl by phone  
 13 that "the decision was finalized to continue with Wamar and that the KIP will soon be renewed."

14 357. On August 8, 2017, Shagha Thuruthiyil of Thales Group e-mailed Wamar to advise  
 15 that "in order to complete and finalize the KIP process, we need the below mentioned docs..."  
 16 Wamar provided all six of the requested documents, but KIP approval was denied.

17 358. Thales continued its fraudulent scheme to drag out the KIP process while Wamar  
 18 expended its money preparing The Dubai Centers before denying the KIP and stealing the  
 19 opportunity to itself. On September 13, 2017, George Ermenidis e-mailed Wamar stating that  
 20 "We've assessed the documents you've sent us and consider that the qualification of Wamar  
 21 International LLC is in a good way for our final approval." However, notwithstanding the prior  
 22 communication from Thales identifying the 6 specific documents needed to finalize the KIP  
 23 process, Mr. Ermenidis demanded eight (8) additional documents.

24 359. Wamar provided all of the requested documents (except the audited financials, for  
 25 which Thales accepted non-audited financials).

26 360. On October 25, 2017, Harald Zirngibl sent a "Non Objection Confirmation" letter  
 27 to George Ermenidis to confirm Thales support for the Dubai Branch. George Ermenidis  
 28 confirmed the receipt of this email on the same day. However, George Ermenidis did not update

1 Wamar on the progress of approval as noted in emails sent by Wamar to George Ermenidis on  
2 November 2, 2017, and November 6, 2017. Jean-Pierre Pourre sent an email to Wamar on  
3 November 7, 2017, to inform Wamar George Ermenidis had been out of town and that there are  
4 been an issue with the "Non Objection Confirmation" letter.

5 361. On November 9, 2017, Jean-Pierre Pourre sent an email to Wamar providing  
6 Wamar with the latest version of the Service Level Agreement resulting from the intensive  
7 discussions and negotiations held between Wamar and Thales Avionics, and requested that Wamar  
8 provide a Best and Final Proposal detailing the pricing and associated terms and conditions under  
9 which Wamar would agree to deliver the proposed services to Thales.

10 362. On November 20, 2017, Jean-Pierre Pourre an email detailing that the meeting  
11 regarding the KIP and the SLA "actions" about key subjects. In that email, Jean-Pierre Pourre  
12 stated that the number one priority of Thales was to complete "Wamar KIP Qualification".  
13 Furthermore, Jean-Pierre Pourre stated that regarding the letter to complete the UAE Branch  
14 creation, "the action is now on my side".

15 363. On November 21, 2017, Jean-Pierre Pourre sent an email to Wamar that Jean-Pierre  
16 Pourre would again "take care of the letter", and informing Wamar that the letter must be provided  
17 by Thales Inflyt, not Thales Middle East.

18 364. On November 29, 2017, Jean-Pierre Pourre sent an email to Wamar stating that the  
19 "Letter is progressing", and I hope to get it to you by end of this week or latest early next week.

20 365. On February 6, 2018 Wamar emailed Thales Inflyt Head of Operations Philippe  
21 Desclaudure to confirm that Thales Management had decided to operate the Dubai IFE Repair  
22 Center themselves, and refused to reward it to Wamar as promised previously. Philippe  
23 Desclaudure acknowledged that this was "disappointing", in a response email, and also stated that  
24 it "should not overshadow the very good relationship and trust between us."

25 366. By March 2018, Wamar had obtained all necessary permits for The Dubai Centers,  
26 hired staff, secured a lease for The Dubai Centers premises and worked with Thales to design the  
27 space. The project was ready to go. Accordingly, on March 9, 2018, Thales completed its  
28 fraudulent scheme. Dominique Giannoni, Thales InFlyt Experience's CEO, e-mailed and mailed a

1 letter to Wamar asserting that "WAMAR does not meet the criteria to perform the project as  
2 normally expected from an industrial partner in charge of such a project. This is the reason why  
3 we made the strategic decision not to continue with WAMAR for the said project and to have it  
4 achieved by Thales (sic) own means."

5 367. Thus, Thales used wire and mail (in addition to phone and in-person meetings) to  
6 string Wamar along, telling Wamar KIP approval was forthcoming, while in fact Thales was  
7 fraudulently inducing Wamar to establish The Dubai Centers at Wamar's own cost until The Dubai  
8 Centers were ready and Thales could execute its plan and steal a \$150M opportunity from Wamar.

9 ***B. Money Laundering 18 U.S.C. § 1956***

10 368. In addition, as described above in paragraphs 121, 122, 136-139 and 162, the  
11 defendants engaged in racketeering activity by forcing Wamar into a money-laundering scheme in  
12 violation of 19 U.S.C. §1956, pursuant to which the defendants required Wamar to engage in a  
13 spare-parts distributorship scheme so that the defendants could conceal or disguise the nature and  
14 source of payment obligations arising from contracts between Thales and Wamar, with the intent  
15 of hiding such transactions and money transfers from U.S. and French investigators. Thales was  
16 aware that using companies owned by Wamar senior management as both a business advisor and  
17 KIP violated French and potentially U.S. laws. The money paid to Wamar and contracted to be  
18 paid to Wamar under the distributorship arrangements was intentionally diverted from money  
19 earned by Wamar senior management acting as TABA and Wamar. Thales knew that its  
20 arrangements with Wamar senior management violated French and potentially U.S. laws, and  
21 therefore coerced Wamar senior management into the spare-parts distributorship agreement for the  
22 express purpose of hiding its unlawful arrangements.

23 369. These violations together with defendants' other conduct and acts, both intrastate  
24 and interstate, constitute a continuing pattern of racketeering activity under the meaning of 18  
25 U.S.C. §1961. Moreover, Wamar has no reason to believe that the defendants have or will cease  
26 in this pattern of alleged activity as herein described.

27 370. The conduct of the defendants, and each of them, affected interstate commerce by  
28 using wires, mails or other instruments and interstate methods of communications so to aid, abet

1 and assist in this fraudulent conduct and so to commit fraud and to deceive Wamar.

2 371. Pursuant to RICO, Wamar is entitled to threefold damages for each offense so  
3 established, and for attorneys' fees and costs as allowed under 18 U.S.C. 1964(c). The conduct of  
4 the defendants, and each of them, has proximately damaged Wamar in an amount that is currently  
5 unknown but believed to exceed \$240M, according to proof at time of trial.

6 **FOURTEENTH CAUSE OF ACTION**

7 **(Declaratory Relief against Thales Avionics Regarding the Emirates Agreements)**

8 372. Plaintiff Wamar incorporates the allegations set forth in paragraphs 1 through 371.

9 373. Plaintiff Wamar has secured over \$2B in valuable contracts for Thales Avionics,  
10 yet Thales Avionics refuses to pay Wamar the fees it has earned.

11 374. Plaintiff Wamar is entitled to a 6.4% KIP Royalty of the value of contracts Wamar  
12 secure for Thales Avionics for installation of IFE systems and technology services on Emirates  
13 aircraft.

14 375. Wamar senior management has been assured by Emirates that Thales Avionics (a)  
15 will be selected for the (56) A380 projects described in the Emirates Agreement with a contract  
16 value of approximately \$400M plus and (b) will be selected for installation of IFE systems and  
17 technology services on (150) B777X aircraft with a contract value of approximately \$975M plus.  
18 Wamar's KIP Royalty fee is approximately \$25.6M for the A380 project and \$70M plus for the  
19 B777X project, in addition to \$3M in consulting fees for each of the preceding contracts (\$6M  
20 total). The \$70M plus for the B777X project is also included in causes of action one to eleven, so  
21 this Cause of Action Fourteen seeks only any amount of the \$70M plus which is not awarded  
22 under other causes of action.

23 376. Further, with the encouragement of Roger Daix in particular, and Thales S.A. and  
24 Thales Avionics in general, Wamar continues to work to secure the contract for Thales Avionics to  
25 install IFE systems on (40) B787 aircraft. The total expected value of the (40) B787 contract is  
26 \$200M. If the contract is secured, Wamar's 6.4% KIP Royalty fee will be approximately \$12.8M,  
27 in addition to \$3M in consulting fees per contract

28 377. Thales Group companies have an established history of breaching their agreements

1 with Plaintiff Wamar and refusing to pay Wamar the fees it has earned. Without relief from the  
 2 Court, the Thales Group is likely to continue that behavior. Wamar is entitled to declaratory  
 3 judgment, that upon delivery of contracts for the B777X aircraft, the A380 aircraft and/or the  
 4 B787 aircraft, Thales Avionics is required to pay Wamar its KIP Royalty fee in the amount of  
 5 6.4% of the total contract value, or approximately \$117.4M (less any amount of the \$70M plus  
 6 which is awarded under other causes of action).

#### 7 V. PRAYER

8 WHEREFORE, Plaintiffs pray for judgment against Defendants, and each of them, for  
 9 \$240.75M in actual damages, subject to proof at the time of trial, \$720M in exemplary damages,  
 10 and \$720M in RICO damages as follows:

- 11 1. \$5.75M, subject to proof at the time of trial for Wamar's non-recurring fee  
 12 regarding the January 2013 LOI with Emirates, under the following causes of  
 13 action:
  - 14 a. First Cause of Action - Breach of Contract by Thales Avionics
  - 15 b. Second Cause of Action - Intentional Misrepresentation by Thales Avionics
  - 16 c. Third Cause of Action - Negligent Misrepresentation by Thales Avionics
  - 17 d. Fourth Cause of Action - Intentional Misrepresentation by Thales S.A.
  - 18 e. Fifth Cause of Action - Breach of Implied Covenant of Good Faith and Fair  
 19 Dealing by Thales Avionics
  - 20 f. Sixth Cause of Action - Restitution; Unjust Enrichment by Thales Avionics
  - 21 g. Seventh Cause of Action - Intentional Interference with Contractual  
 22 Relations by Thales S.A.
  - 23 h. Eighth Cause of Action - Intentional Interference with Prospective  
 24 Economic Relations by Thales S.A.
  - 25 i. Ninth Cause of Action - Conspiracy by Thales S.A. and Thales Avionics
  - 26 j. Tenth Cause of Action - Aiding and Abetting Intentional Misrepresentation  
 27 by Thales S.A.
  - 28 k. Eleventh Cause of Action - Aiding and Abetting Breach of the Implied

Covenant of Good Faith and Fair Dealing by Thales S.A.

1. Twelfth Cause of Action – Quantum Meruit.

2. \$70M, subject to proof at the time of trial, for Wamar successfully securing the \$975M IFE systems contract with Emirates, under the following causes of action:

- a. First Cause of Action - Breach of Contract by Thales Avionics
- b. Second Cause of Action - Intentional Misrepresentation by Thales Avionics
- c. Third Cause of Action - Negligent Misrepresentation by Thales Avionics
- d. Fourth Cause of Action - Intentional Misrepresentation by Thales S.A.
- e. Fifth Cause of Action - Breach of Implied Covenant of Good Faith and Fair Dealing by Thales Avionics
- f. Sixth Cause of Action - Restitution; Unjust Enrichment by Thales Avionics
- g. Seventh Cause of Action - Intentional Interference with Contractual Relations by Thales S.A.
- h. Eighth Cause of Action - Intentional Interference with Prospective Economic Relations by Thales S.A.
- i. Ninth Cause of Action - Conspiracy by Thales S.A. and Thales Avionics
- j. Tenth Cause of Action – Aiding and Abetting Intentional Misrepresentation by Thales S.A.
- k. Eleventh Cause of Action – Aiding and Abetting Breach of the Implied Covenant of Good Faith and Fair Dealing by Thales S.A.

l. Twelfth Cause of Action – Quantum Meruit.

3. \$15M, subject to proof at the time of trial, for Wamar’s out-of-pocket costs to obtain the Emirates contracts, under the following causes of action:

- a. First Cause of Action - Breach of Contract by Thales Avionics
- b. Second Cause of Action - Intentional Misrepresentation by Thales Avionics
- c. Third Cause of Action - Negligent Misrepresentation by Thales Avionics
- d. Fourth Cause of Action - Intentional Misrepresentation by Thales S.A.
- e. Fifth Cause of Action - Breach of Implied Covenant of Good Faith and Fair



- 1 Dealing by Thales Avionics
- 2 f. Sixth Cause of Action - Restitution; Unjust Enrichment by Thales Avionics
- 3 g. Seventh Cause of Action - Intentional Interference with Contractual
- 4 Relations by Thales S.A.
- 5 h. Eighth Cause of Action - Intentional Interference with Prospective
- 6 Economic Relations by Thales S.A.
- 7 i. Ninth Cause of Action - Conspiracy by Thales S.A. and Thales Avionics
- 8 j. Tenth Cause of Action – Aiding and Abetting Intentional Misrepresentation
- 9 by Thales S.A.
- 10 k. Eleventh Cause of Action – Aiding and Abetting Breach of the Implied
- 11 Covenant of Good Faith and Fair Dealing by Thales S.A.
- 12 l. Twelfth Cause of Action – Quantum Meruit.
- 13 4. \$150M, subject to proof at the time of trial, for Wamar establishing and operating
- 14 the new The Dubai Centers during the 26-year term of the SLA, under the
- 15 following causes of action:
- 16 a. First Cause of Action - Breach of Contract by Thales Avionics
- 17 b. Second Cause of Action - Intentional Misrepresentation by Thales Avionics
- 18 c. Third Cause of Action - Negligent Misrepresentation by Thales Avionics
- 19 d. Fourth Cause of Action - Intentional Misrepresentation by Thales S.A.
- 20 e. Fifth Cause of Action - Breach of Implied Covenant of Good Faith and Fair
- 21 Dealing by Thales Avionics
- 22 f. Sixth Cause of Action - Restitution; Unjust Enrichment by Thales Avionics
- 23 g. Seventh Cause of Action - Intentional Interference with Contractual
- 24 Relations by Thales S.A.
- 25 h. Eighth Cause of Action - Intentional Interference with Prospective
- 26 Economic Relations by Thales S.A.
- 27 i. Ninth Cause of Action - Conspiracy by Thales S.A. and Thales Avionics
- 28 j. Tenth Cause of Action – Aiding and Abetting Intentional Misrepresentation

- 1 by Thales S.A.
- 2 k. Eleventh Cause of Action – Aiding and Abetting Breach of the Implied
- 3 Covenant of Good Faith and Fair Dealing by Thales S.A.
- 4 l. Twelfth Cause of Action – Quantum Meruit.
- 5 5. \$720M minimum punitive damages, under causes of action:
- 6 a. Second Cause of Action - Intentional Misrepresentation by Thales Avionics
- 7 b. Third Cause of Action - Negligent Misrepresentation by Thales Avionics
- 8 c. Fourth Cause of Action - Intentional Misrepresentation by Thales S.A.
- 9 d. Seventh Cause of Action - Intentional Interference with Contractual
- 10 Relations by Thales S.A.
- 11 e. Eighth Cause of Action - Intentional Interference with Prospective
- 12 Economic Relations by Thales S.A.
- 13 f. Ninth Cause of Action - Conspiracy by Thales S.A. and Thales Avionics
- 14 g. Tenth Cause of Action – Aiding and Abetting Intentional Misrepresentation
- 15 by Thales S.A.
- 16 h. Eleventh Cause of Action – Aiding and Abetting Breach of the Implied
- 17 Covenant of Good Faith and Fair Dealing by Thales S.A.
- 18 6. \$720M minimum damages under cause of action Thirteen for RICO violations.
- 19 7. As set forth above, at a minimum, Wamar is owed \$240M in actual damages.
- 20 8. As set forth above, at a minimum, Wamar is owed \$720M in punitive and
- 21 exemplary damages.
- 22 9. As set forth above, at a minimum Wamar is owed \$720 in RICO damages.
- 23 10. Accordingly, at a minimum Defendant owes Wamar \$1.680B.
- 24 11. On the Fourteenth Cause of Action for Declaratory Judgment that
- 25 a. Wamar is entitled to its 6.4% KIP Royalty fee upon delivery of the
- 26 contracts described in the Fourteenth Cause of Action in the approximate
- 27 amount of \$108M (less any portion of the \$70M plus awarded under other
- 28 causes of action), and

b. Wamar is entitled to its consulting fees upon the award of the contracts described in the Fourteenth Cause of Action in the approximate amount of \$9M.

12. For interest as provided by law and/or in an amount according to proof at trial.

13. For other foreseeable damages in an amount according to proof at trial.

14. For costs of suit incurred herein.

15. For such other and further relief as the Court may deem just and proper.

### REQUEST FOR JURY TRIAL

Plaintiff Wamar demands a trial by jury on all issues so triable.

DATED: November 8, 2018

THOMAS WHITELAW & KOLEGRAFF LLP

By: /s/ Joseph E. Thomas

JOSEPH E. THOMAS  
WILLIAM J. KOLEGRAFF  
WILLIAM S. SANDERSON  
Attorneys for Plaintiff WAMAR  
INTERNATIONAL, LLC

## **EXHIBIT 1**

# THALES

In-Flight Entertainment and Connectivity  
Thales Avionics, Inc  
58 Discovery  
Irvine, California 92618-3105  
USA  
Tel. +1 949-790-2500  
www.thalesgroup.com

Wamar International LLC  
Attn: Nabil Barakat, President & CEO  
1919 Williams St. Suite 310  
Simi Valley, CA 93065, USA

January 14, 2013

**Subject: Letter of Intent Regarding Selection of Wamar International LLC**

Dear Mr. Barakat,

Following the Memorandum of Understanding dated December 21, 2012 ("MoU") between Thales Avionics, Inc. ("Thales") and Wamar International LLC ("Wamar"), Thales would like to thank you for Wamar's quotation reference WAM/TAI/MOU/001/13 dated January 13, 2013 in support of the Project (as defined hereinafter).

Although this Wamar's quotation remains to be discussed between the parties, Thales is pleased to confirm that it intends to select Wamar as a subcontractor for the Project, subject to the following conditions:


- Emirates Airline Company PJSC ("Customer") selects Thales as the sole supplier of all in-flight entertainment products, support services, and connectivity for the Customer's fleet of fifty (50) firm B777 aircraft and thirty-two (32) firm A380 aircraft pursuant to the Customer's request for proposal dated June 14, 2012 (Ref: EK-A380/B777-IFE-2012-016) and Thales's proposal dated August 7, 2012 (Ref: D12-00060) and its subsequent revisions in response thereto, (collectively, "Project"); and
- Thales and Wamar reach mutual written agreement on the subcontracting terms and conditions, including but not limited to scope, pricing and allocation of risks and responsibilities in accordance with the principles set out in the MoU.

In case the Customer select Thales for one (1) fleet only (B777 or A380) a new quotation will be agreed between Thales and Wamar in accordance with the principle of the MoU but on the basis of a revised and down sized Statement of Work.

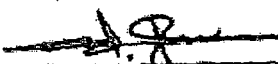
This letter of Intent shall automatically expire upon the signature of the subcontract between Thales and Wamar or ninety (90) days after the date on which the Customer awards the Project to Thales or upon notification from the Customer that Thales is not selected for the Project, whichever occurs earlier.

In a spirit of goodwill and cooperation, Thales looks forward to working with Wamar to meet and exceed the Customer's expectations for the Project. We kindly request that you sign and date this letter as indicated below.

Sincerely,

  
William HUOT-MARCHAND  
Vice president Global Sales & Marketing  
GM International, International Operations  
Thales In-flight Entertainment & Connectivity

Acknowledged and Agreed,

  
Nabil BARAKAT  
President & CEO  
Wamar International LLC  
Dated: \_\_\_\_\_



2011 Crystal Cabin  
Award Winner

# THALES

In-Flight Entertainment and Connectivity  
Thales Avionics, Inc.  
58 Discovery  
Irvine, California 92618-3105  
USA  
Tel: +1 949-790-2500  
www.thalesgroup.com

## POWER OF ATTORNEY

To Whom It May Concern:


I, Alan Pellegrini, President, Thales Avionics, Inc., do hereby duly appoint the following named person, William Huot-Marchand, VP & General Manager, International Operations, to act as my attorney in fact to execute the following document between Wamar International L.L.C., and Thales Avionics, Inc.:

- Letter of Intent regarding selection of Wamar International L.L.C. as a subcontractor for consulting services and strategy support to include the Dubai Discovery Centre as part of Thales Avionics, Inc.'s In-Flight Entertainment and Connectivity proposal to Emirates

Giving and granting to said attorney full power and authority to do all and every act and thing whatsoever requisite and necessary to be done relative to the above as fully to all intents and purposes as I might or could do if personally present.

All that said attorney shall lawfully do or cause to be done under the authority of this power of attorney is expressly approved.

Dated: January 14, 2013 Signed:

  
Alan Pellegrini  
President



2010 - 2011 Avion Award  
Best in Technology Winner



2011 Crystal Cabin  
Award Winner





# SUPERIOR COURT OF CALIFORNIA

COUNTY OF ORANGE

## Superior Court of California, County of Orange

751 W. Santa Ana Blvd  
Santa Ana, CA 92701

### PAYMENT RECEIPT

E-Filing Transaction #: 4906326

Receipt #: 12276095

Clerk ID: gramirez

Transaction No: 12452403

Transaction Date: 11/14/2018

Transaction Time: 11:42:17 AM

Case Number	Fee Type	Qty	Fee Amount\$	Balance Due	Amount Paid	Remaining Balance
30-2018-01031861-CU-BC-CXC	194 - Complaint or other 1st paper	1	\$435.00	\$435.00	\$435.00	\$0.00
30-2018-01031861-CU-BC-CXC	34 - Complex Case Fee - Plaintiff	1	\$1,000.00	\$1,000.00	\$1,000.00	\$0.00
Sales Tax:					\$0.00	
<b>Total:</b>					<b>\$1,435.00</b>	<b>Total Rem. Bal: \$0.00</b>

E-Filing : - OneLegal

E-Filing: \$1,435.00

Total Amount Tendered: \$1,435.00

Change Due: \$0.00

Balance: **\$0.00**

A \$45 fee may be charged for each returned check, electronic funds transfer or credit card payment.

**ORIGINAL**

#105

**SUPERIOR COURT OF CALIFORNIA**

ORANGE

751 W. Santa Ana Blvd

Santa Ana , CA 92701

(657) 622-5300

www.occourts.org

**NOTICE OF CASE ASSIGNMENT**Case Number: **30-2018-01031861-CU-BC-CXC**

Your case has been assigned for all purposes to the judicial officer indicated below. A copy of this information must be provided with the complaint or petition, and with any cross-complaint that names a new party to the underlying action.

<b>ASSIGNED JUDGE</b>	<b>COURT LOCATION</b>	<b>DEPARTMENT/ROOM</b>	<b>PHONE</b>
Hon. Glenda Sanders	Civil Complex Center	CX101	(657) 622-5300
<b>Hearing:</b>	<b>Date:</b>	<b>Time:</b>	
<b>JUDGE</b>	<b>COURT LOCATION</b>	<b>DEPARTMENT/ROOM</b>	<b>PHONE</b>
Hon.			

[ x ] ADR Information attached.

**SCHEDULING INFORMATION****Judicial Scheduling Calendar Information**

Individual courtroom information and the items listed below may be found at: [www.occourts.org](http://www.occourts.org).

Case Information, Court Local Rules, filing fees, forms, Civil Department Calendar Scheduling Chart, Department phone numbers, Complex Civil E-filing, and Road Map to Civil Filings and Hearings.

**Ex Parte Matters**

Rules for Ex Parte Applications can be found in the California Rules of Court, rules 3.1200 through 3.1207 at: [www.courtinfo.ca.gov](http://www.courtinfo.ca.gov). Trials that are in progress have priority; therefore, you may be required to wait for your ex parte hearing.

**Noticed Motions**

- \* The following local Orange County Superior Court rules are listed for your convenience:
  - Rule 307 - Telephonic Appearance Litigants - Call CourtCall, LLC at (310) 914-7884 or (888) 88-COURT.
  - Rule 380 - Fax Filing, Rule 450 - Trial Pre-Conference (Unlimited Civil)
- \* All Complex Litigation cases are subject to mandatory Electronic Filing, unless excused by the Court.
- \* Request to Enter Default and Judgment are strongly encouraged to be filed as a single packet.

**Other Information**

Hearing dates and times can be found on the Civil Department Calendar Scheduling Chart.

All fees and papers must be filed in the Clerk's Office of the Court Location address listed above.

Date: 11/14/2018

Georgina Ramirez, Deputy Clerk

**NOTICE OF CASE ASSIGNMENT**